



US DEPARTMENT OF VETERANS AFFAIRS OFFICE OF INSPECTOR GENERAL

Office of Audits and Evaluations

DEPARTMENT OF VETERANS AFFAIRS

VBA's and NCA's Personnel Suitability Programs Need Improved Governance

Audit

23-02890-209

September 30, 2024

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Executive Summary

Applicants or appointees for VA positions undergo background investigations as a condition of employment to help protect veterans, their family members, employees, and visitors—as well as sensitive information and resources.¹ VA determines the level of investigation needed by assessing the risk of the position. The majority of VA employees, such as most staff with the Veterans Benefits Administration (VBA) and National Cemetery Administration (NCA), receive a Tier 1 investigation to verify suitability for employment.² These positions include veterans claims examiners, veterans service representatives, loan specialists, gardeners, and cemetery caretakers.

Applicants for VA employment must undergo a three-part background check. VA first screens the applicant by reviewing self-reported information, including past or ongoing legal violations, terminations of employment, or delinquent federal debt. Then the applicant is subject to a fingerprint criminal history check. Finally, the Defense Counterintelligence and Security Agency (DCSA) conducts the required background investigation using an applicant-completed questionnaire, which provides VA with comprehensive information needed to verify suitability for employment.³

Once DCSA completes the investigation, the resulting information is submitted to VA for review and adjudication. Suitability staff review the results of the background investigation, consider any negative information, and adjudicate suitability for employment.⁴ After the investigation is completed, information from the investigation is recorded in the VA Centralized Adjudication Background Investigation System (VA-CABS); until January 2024, VA policy required this

¹ According to regulation, an applicant refers to “a person who is being considered or has been considered for employment.” An appointee refers to “a person who has entered on duty and is in the first year of a subject-to-investigation appointment.” 5 C.F.R. § 731.101 (2020). For readability, “applicant” in this report refers to both.

² The Tier 1 investigation level consists of a search of clearance and suitability records; a name and criminal history check with the Federal Bureau of Investigation; and written inquiries to references, employers, educational institutions, and residences that cover the past five years.

³ 5 C.F.R. § 736.201 (2020); VA Handbook 0710, *Personnel Security and Suitability Program*, May 2, 2016. The background investigation must be scheduled within 14 days of the entrance on duty date. The Office of Personnel Management defines this as the date a person completes the required paperwork and is sworn in as an employee. Office of Personnel Management, “General Instructions for Processing Personnel Actions,” chap. 3, section 4-3 in *The Guide to Processing Personnel Actions*, March 2017.

⁴ A suitability determination must be rendered within 90 days after the background investigation is closed. A negative determination may result in dismissal. 5 C.F.R. § 731.203 (2020); VA Handbook 0710.

information to also be recorded in HR Smart (VA's human resources information system).⁵ This information is also transmitted to DCSA's Personnel Investigations Processing System. Finally, the certificate of investigation is uploaded into the employee's electronic personnel folder.

In March 2018, the VA Office of Inspector General (OIG) reported on deficiencies within the Veterans Health Administration's (VHA) personnel suitability program.⁶ Those deficiencies led to delinquent initiation and adjudication of background investigations for employees. The report concluded that neither VA nor VHA effectively governed the background investigation process to ensure requirements were met at medical facilities nationwide. In September 2023, the OIG reported on similar deficiencies during a follow-up audit of VHA's personnel suitability program.⁷ These prior audits identified issues that could affect the entire VA enterprise and prompted the OIG to conduct this audit to evaluate controls over the background investigation process for VBA and NCA staff and determine whether investigation actions were completed on time and recorded reliably.

What the Audit Found

VBA and NCA did not effectively govern their personnel suitability programs to ensure that background investigations, including adjudications, were completed within required time frames and recorded reliably for staff at regional offices, cemeteries, and administrative offices. The team reviewed investigative actions taken for VBA and NCA employees initially hired from January 1, 2021, through December 31, 2022, who required an investigation that should have been processed by the administrations.⁸ The OIG estimated this population to be 2,200 VBA employees and 330 NCA employees and analyzed records for a statistical sample of 353 VBA employees and 47 NCA employees.⁹ The team found the following noncompliance with the required background investigation process for the reviewed employees:

- **Submission of questionnaires not consistently complete.** Two of 353 VBA employees did not have sufficiently complete questionnaires, preventing their investigations from being initiated. Although small in number, any uninitiated

⁵ During the audit's review period, VA staff were required to enter background investigation data into HR Smart. This changed on January 2, 2024, pursuant to VA PERSEC Advisory 24-01, *HR Smart Background Investigation Data Entry*. This change occurred because past VA Office of Inspector General (OIG) audits found investigation data mismatches between HR Smart and VA-CABS that were caused by a requirement to manually enter data into HR Smart.

⁶ VA OIG, [Audit of the Personnel Suitability Program](#), Report No. 17-00753-78, March 26, 2018.

⁷ VA OIG, [VA's Governance of Its Personnel Suitability Program for Medical Facilities Continues to Need Improvement](#), Report No. 21-03718-189, September 21, 2023. For more information about related previous reports, see appendix A.

⁸ Appendix B provides more details on the audit's scope and methodology.

⁹ Appendix C provides more information on the population and sampling methodology.

background investigation poses a risk that warrants further attention by VA senior leaders.

- **Delays in investigation initiation.** The team estimated that staff did not initiate background investigations within the required time frame for 2 percent of VBA employees and 57 percent of NCA employees.¹⁰
- **Discontinued investigations not always reinitiated.** VBA did not reinitiate discontinued investigations for three employees.¹¹ Therefore, these three employees did not have a required background investigation. Any number of uncompleted background investigations warrant further attention by VA senior leaders.
- **Adjudications beyond the required deadline.** Of the investigations closed by DCSA, the team estimated that 71 percent for VBA employees and 58 percent for NCA employees were not adjudicated by VA within 90 days of the date of the final investigative report as mandated.¹²
- **Documentation not maintained in personnel folders.** Using results from the sample analysis, the team estimated that 67 percent of VBA employees and 44 percent of NCA employees did not have a certificate of investigation uploaded into their electronic personnel folders at the end of the suitability process.¹³

The audit team found that suitability staff largely entered data correctly into VA-CABS. Separately, approximately 95 percent of VBA records and 100 percent of NCA records in HR Smart did not match supporting documentation. The requirement for personnel suitability staff to enter information into HR Smart was rescinded after the review period of this audit. The OIG is presenting this information because the requirement was in place during the audit period but is not making a recommendation given the rescission of the requirement.¹⁴

These adjudication and documentation issues occurred because VBA and NCA prioritized prescreening over adjudicating investigation results for newly hired staff. Further, each administration tracked metrics for the prescreening process but did not track metrics for background investigation adjudications. The OIG acknowledges that both VBA and NCA experienced staffing constraints during the audit's review period. However, the findings in this

¹⁰ 5 C.F.R. § 736.201; VA Handbook 0710. The required time frame is within 14 calendar days of the employee's start date.

¹¹ Background investigations may be discontinued if DCSA cannot obtain required information from the requesting agency necessary to continue the investigation. Additionally, if another investigation of the same employee was already in progress or closed within the prior two years, DCSA may discontinue its investigation.

¹² 5 C.F.R. § 731.203; VA Handbook 0710; Exec. Order No. 13,869, 84 Fed. Reg. 18,125 (Apr. 29, 2019). All delinquent investigations in the associated sample records have since been adjudicated by VA.

¹³ VA Handbook 0710.

¹⁴ VA PERSEC Advisory 24-01, *HR Smart Background Investigation Data Entry*, January 2, 2024.

audit indicate that staffing challenges were not the only cause of the backlog. As a result of program deficiencies, both administrations assume unnecessary risk by allowing staff who are not fully vetted to handle sensitive personal information and interact with veterans for extended periods of time.

VA Has Begun Implementing Additional Oversight Efforts since the OIG's September 2023 Report, but Challenges Remain

Since the OIG's September 2023 report, VA's Office of Human Resources and Administration/Operations, Security, and Preparedness (HRA/OSP) reinstated an inspection program evaluating compliance with background investigation policy requirements, which it had previously suspended in May 2019 due to insufficient staffing.¹⁵ The first review occurred in December 2023. Additionally, HRA/OSP began implementing a centralized reporting platform to compile personnel suitability data from multiple VA and other governmental systems for auditing and remediation purposes.

VBA is also implementing a compliance program within its personnel suitability division, which consists of regular monitoring and annual site reviews for each servicing security office. By May 2024, VBA's compliance team completed three site reviews. Also, in June 2024, VBA reported reducing its backlog of delinquent investigations by about half.

NCA officials provided evidence in June 2024 that the administration began tracking metrics on initiating the electronic questionnaire and adjudicating background investigations. NCA's data showed that, on average, the administration was initiating the electronic questionnaires and adjudicating background investigations within required time frames from January 2024 through May 2024. Additionally, NCA reported making progress on adjudicating previously backlogged investigations. Lastly, HRA/OSP reported in February 2024 that because NCA has a low workload, HRA/OSP plans to conduct quarterly reviews of the administration's program and provide reports to NCA.

However, HRA/OSP provided other evidence to the audit team that indicated its personnel security suboffice currently lacks the resources to conduct oversight. HRA/OSP attributed this lack of resources to staffing and funding constraints. The OIG remains concerned that staffing shortages will inhibit enterprise-wide oversight, compromise the long-term sustainability of VA's personnel suitability inspection program, and may allow the issues identified in this report, as well as the follow-up audit of VHA's personnel suitability program, to persist.

¹⁵ VA Handbook 0710.

What the OIG Recommended

The OIG recommended that the under secretary for benefits execute VBA's compliance plan and ensure that oversight verifies whether timeliness and documentation requirements are met. The OIG also recommended that the under secretary for memorial affairs establish robust oversight of NCA's personnel suitability program and evaluate resources to ensure compliance with requirements.

VA Management Comments and OIG Response

The under secretary for benefits concurred with recommendations 1 and 2 and provided corrective action plans. The full text of the under secretary's comments is included in appendix D. In response to these recommendations, the under secretary stated that VBA implemented a comprehensive compliance plan for its personnel suitability program, published a compliance program guide, and conducted biweekly reviews of background investigations to verify that actions are within required time frames and documentation is uploaded as required. The response included seven attachments meant to support the actions taken. Based on these steps, the under secretary requested closure of both recommendations.

The acting under secretary for memorial affairs concurred with recommendations 3 and 4 and provided corrective action plans. The full text of the under secretary's comments is included in appendix E. In response to recommendation 3, NCA will track and measure the performance of the full scope of its personnel suitability program, including timeliness of initiation and adjudication of background investigations, as well as document investigation results. To implement recommendation 4, NCA backfilled a vacancy within the personnel suitability section to staff the office with three personnel security specialists.

VBA's comments and corrective action plans are responsive to the intent of the recommendations. However, the OIG did not find the actions taken and the documentation provided sufficient to close the recommendations at this time. To close the recommendations, VBA needs to provide evidence demonstrating the sustained implementation of the biweekly timeliness reviews for investigation initiations. Additionally, VBA needs to provide evidence demonstrating compliance and oversight actions related to the adjudication of background investigations. The OIG will monitor implementation of planned actions and will close the recommendations upon receipt of evidence showing sufficient progress in addressing the issues identified.

NCA's comments and corrective action plans are responsive to the intent of the recommendations. The OIG will monitor implementation of planned actions and will close the recommendations when NCA provides evidence demonstrating sufficient progress in addressing the issues identified.

A handwritten signature in black ink, reading "Larry M. Reinkemeyer". The signature is written in a cursive, flowing style.

LARRY M. REINKEMEYER
Assistant Inspector General
for Audits and Evaluations

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Abbreviations

DCSA	Defense Counterintelligence and Security Agency
GAO	Government Accountability Office
HRA/OSP	Human Resources and Administration/Operations, Security, and Preparedness
NCA	National Cemetery Administration
OIG	Office of Inspector General
VA-CABS	VA Centralized Adjudication Background Investigation System
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration



Introduction

Applicants or appointees for VA positions undergo background investigations as a condition of their employment. These investigations are conducted to protect veterans, their family members, VA employees, and visitors, in addition to securing sensitive information and resources.

VA determines the level of investigation needed for a position by assessing its level of risk—rated as low, moderate, or high. At a minimum, VA employees receive a Tier 1 investigation to verify that the individual is suitable for employment. Most Veterans Benefits Administration (VBA) and National Cemetery Administration (NCA) staff, including veterans claims examiners, veterans service representatives, loan specialists, gardeners, and cemetery caretakers, receive this level of investigation.¹⁶

Table 1 lists the risk categories associated with each type of investigation and examples of occupations.

Table 1. Investigation Type and Position Risk Categories

Investigation type	Risk category	Occupation examples
Tier 1	Low	Most employee positions
Tier 2	Moderate	Cemetery administrators, records research analysts, human resources staff
Tier 4	High	Executive directors of regional offices and cemeteries, human resources officers, and budget officers

Source: VA OIG analysis of VA Handbook 0710, VAPERSEC Advisory 23-02, and position descriptions.

Note: Tiers 3 and 5 are investigations for sensitive national security positions with potential access to classified information; these investigations are processed through VA's Personnel Security Adjudication Center.

In March 2018, the VA Office of Inspector General (OIG) reported on deficiencies within the Veterans Health Administration's (VHA) personnel suitability program.¹⁷ Those deficiencies led to delinquent initiation and adjudication of background investigations for employees. The report concluded that neither VA nor VHA effectively governed the background investigation process to ensure requirements were met at medical facilities nationwide. In September 2023, the OIG

¹⁶ A Tier 1 investigation consists of a search of clearance and suitability records; a name and criminal history check with the Federal Bureau of Investigation; and written inquiries to references, employers, educational institutions, and residences that cover the past five years.

¹⁷ VA OIG, [Audit of the Personnel Suitability Program](#), Report No. 17-00753-78, March 26, 2018.

reported on similar deficiencies during a follow-up audit of the program.¹⁸ These prior audits identified issues that could affect the entire VA enterprise and prompted the OIG to conduct this audit to evaluate controls over the background investigation process for VBA and NCA staff and to determine whether investigation actions were completed on time and recorded reliably.

Background Checks for New VA Employees

VA's hiring process requires applicants or appointees to agree to a three-part background check to determine if they are suitable for employment.¹⁹ Figure 1 details the background check process.

¹⁸ VA OIG, [*VA's Governance of Its Personnel Suitability Program for Medical Facilities Continues to Need Improvement*](#), Report No. 21-03718-189, September 21, 2023. For more information about previous related reports, see appendix A.

¹⁹ According to regulation, an applicant refers to "a person who is being considered or has been considered for employment." An appointee refers to "a person who has entered on duty and is in the first year of a subject-to-investigation appointment." 5 C.F.R. § 731.101 (2020). For readability, "applicant" in this report refers to both.

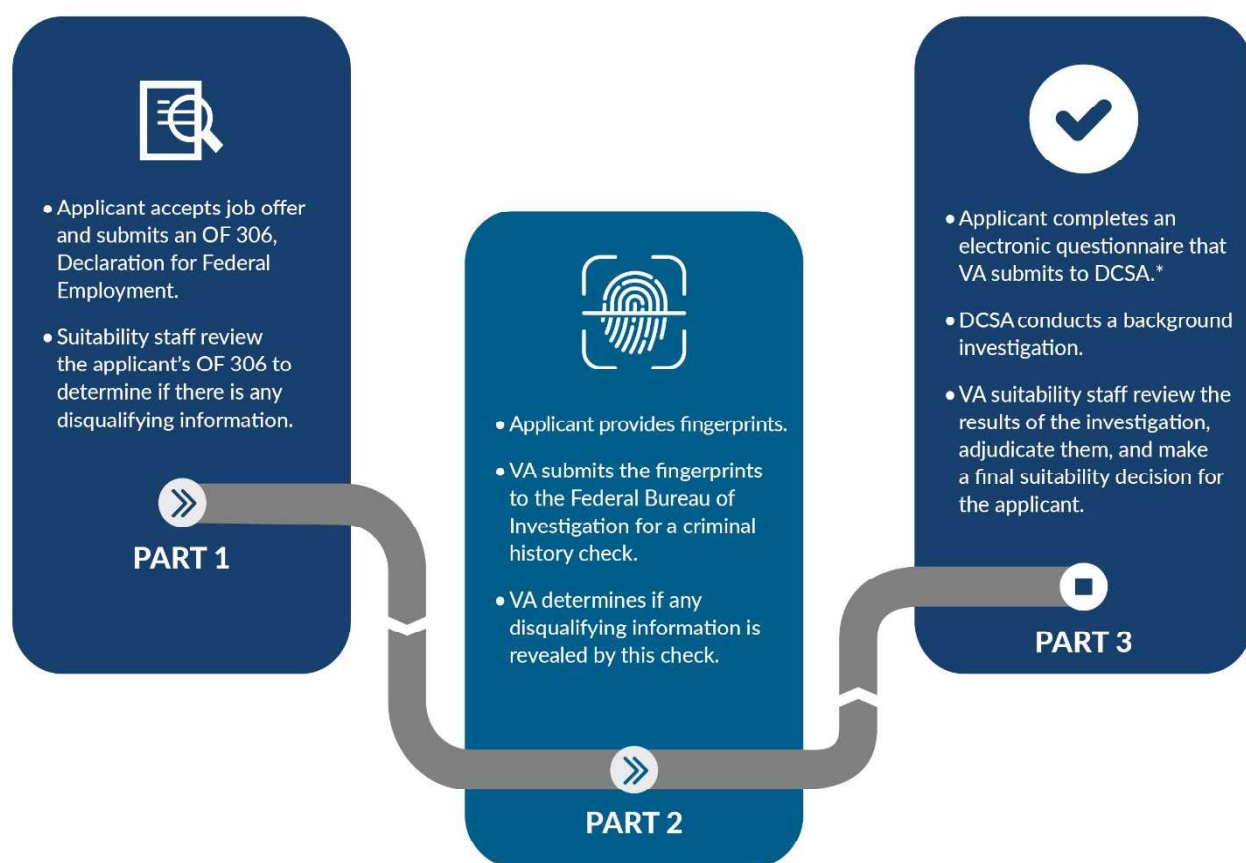


Figure 1. VA's background check process.

Source: VA OIG analysis of VA policy and forms used for the investigation process.

* DCSA stands for Defense Counterintelligence and Security Agency.

First, when applicants accept a tentative offer for employment, they submit an OF 306, Declaration for Federal Employment, which allows them to self-report information related to past or ongoing legal violations, prior terminations of employment, and delinquent federal debt. Suitability staff then compare the applicants' responses and the relevant position descriptions to determine if the reported information could disqualify them from being employed. For example, if an applicant reported a recent conviction for fraud, that information may disqualify them from a position as a veterans service representative. However, this type of issue might not affect their candidacy for a cemetery caretaker position.

The second screening is referred to as a special agreement check. VA obtains the applicants' fingerprints and submits them for a Federal Bureau of Investigation criminal history check. This check provides a degree of assurance that the individual is not subject to an ongoing inquiry and does not have a prior criminal conviction that could affect suitability for the position. Fingerprinting should generally be completed before employment but may be conducted up to

five days after the entrance on duty date.²⁰ Similar to the OF 306 screening, if this check revealed information that would disqualify an individual from the position, then VA could decide to rescind the tentative offer or not retain the employee.

Finally, the applicant completes an electronic questionnaire that VA submits to the Defense Counterintelligence and Security Agency (DCSA) to conduct the required background investigation. At a minimum, this investigation includes (1) a name check with the Federal Bureau of Investigation and other federal databases and (2) written inquiries to employers, candidate-supplied references, and places of education and residence. This process is intended to provide VA with the comprehensive background information needed to verify suitability for employment and must be scheduled within 14 days of the entrance on duty date.²¹

Once DCSA completes the investigation, the resulting information is submitted to VA for review and adjudication. Suitability staff review the results of the background investigation, consider any negative information, and adjudicate suitability for employment. A suitability determination must be rendered within 90 days of the date the background investigation was closed.²² If suitability staff make an unfavorable determination, VA can take action, including removal, under the appropriate authority.²³

During the review period for this audit, VBA and NCA recorded information from completed investigations in two VA systems: HR Smart and VA Centralized Adjudication Background Investigation System (VA-CABS). HR Smart is VA's human resources information system that supports personnel suitability, payroll, and position management. HR Smart organizes data by position, rather than by employee, and allows for real-time human resources transaction-processing for all of VA. VA staff were required to enter background investigation data into this system during this audit's review period. However, VA rescinded this requirement in January 2024.²⁴

VA-CABS, a centralized case management system, is used for processing background investigations and tracking suitability-related data. VA-CABS was launched in April 2019 and captures data about fingerprint checks, background investigations, and reinvestigations. In July 2022, VA-CABS became the system of record for all VA personnel suitability data. In

²⁰ VA Handbook 0710, *Personnel Security and Suitability Program*, May 2, 2016. The Office of Personnel Management defines the entrance on duty date as the date a person completes the required paperwork and is sworn in as an employee. Office of Personnel Management, "General Instructions for Processing Personnel Actions," chap. 3, section 4-3 in *The Guide to Processing Personnel Actions*, March 2017.

²¹ 5 C.F.R. § 736.201 (2020); VA Handbook 0710.

²² 5 C.F.R. § 731.203 (2020); VA Handbook 0710.

²³ 5 C.F.R. § 731.203. Title 5 employees are generally subject to a one-year probationary period pursuant to 5 C.F.R. § 315.802 (2021).

²⁴ VA PERSEC Advisory 24-01, *HR Smart Background Investigation Data Entry*, January 2, 2024. This change occurred because past VA OIG audits found investigation data mismatches between HR Smart and VA-CABS that were caused by a requirement to manually enter data into HR Smart.

September 2023, VA replaced the current commercial off-the-shelf VA-CABS with a customizable system, named VA-CABS 2.0, and imported data from VA-CABS into this new system.

Investigation information is also transmitted to the Personnel Investigations Processing System, which is owned by DCSA. Supporting documentation, such as a certificate of investigation, is uploaded into an employee's electronic personnel folder.

Responsible Offices

Several VA leaders have responsibility for the department's suitability program, starting with the assistant secretary for Human Resources and Administration/Operations, Security, and Preparedness (HRA/OSP).²⁵ According to VA guidance, the assistant secretary has the authority to establish and maintain personnel suitability programs throughout the department consistent with applicable laws, rules, regulations, and executive orders.²⁶

The Office of Identity, Credential, and Access Management, under HRA/OSP, is responsible for developing, coordinating, and overseeing the implementation of policy, programs, and guidance for the department's suitability program. A suboffice, Personnel Security and Credential Management, is required to conduct oversight and functional program reviews to evaluate compliance and implementation of the handbook's requirements.²⁷

Each of the three VA administrations—VHA, VBA, and NCA—is required to appoint a personnel security program manager to coordinate departmental regulations and policies involved with the overall personnel security and suitability program.²⁸ According to VA guidance, the under secretaries for benefits and memorial affairs must ensure that their administrations comply with personnel suitability policies and procedures.²⁹ The under secretaries are also required to establish and maintain an effective suitability and fitness determination program using automated processes while taking actions to correct conditions that are noncompliant with regulatory guidance.³⁰

²⁵ Effective September 12, 2018, the position of assistant secretary for Operations, Security, and Preparedness was eliminated. The Office of Operations, Security, and Preparedness and its associated functions were reassigned to the assistant secretary for Human Resources and Administration. Relevant VA personnel suitability policies issued before this date refer to each position separately. For consistency, this office is referred to as HRA/OSP throughout this report.

²⁶ VA Directive 0710, *Personnel Security and Suitability Program*, June 4, 2010.

²⁷ VA Handbook 0710. The handbook specifies requirements for (1) checking fingerprints within timelines, (2) initiating and adjudicating background investigations, (3) uploading investigation documentation into an employee's personnel file, and (4) updating data systems with relevant information.

²⁸ VA Handbook 0710.

²⁹ VA Directive 0710.

³⁰ VA Handbook 0710.

The suitability function in VBA and NCA is aligned under the administrations' central offices. VBA's Personnel Security and Suitability Division within the Office of Human Capital Services is responsible for planning, directing, and coordinating all program functions for the administration. These functions, such as initiating background investigations and adjudicating closed investigations, are completed by regional teams supporting the five human resources centers.³¹ NCA's personnel suitability function is conducted by a personnel security team within its Human Resources Center. Figure 2 provides an overview of VA's organizational structure for governance of VBA's and NCA's personnel suitability programs.

³¹ The human resources centers are located in Baltimore, Maryland; Denver, Colorado; Des Moines, Iowa; Detroit, Michigan; and Jackson, Mississippi.

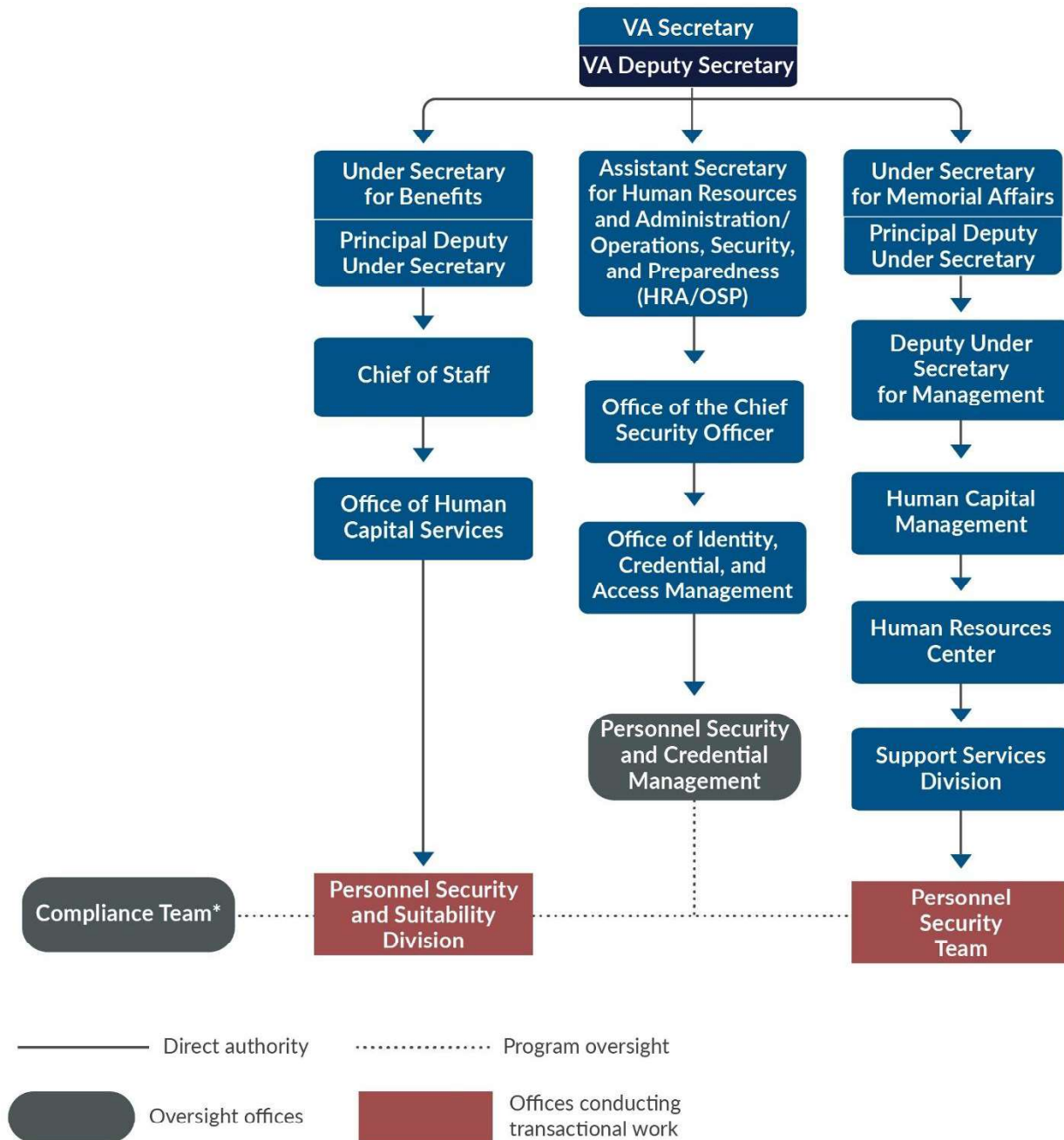


Figure 2. Overview of VA's organizational structure for governance of the personnel suitability program.

Source: VA OIG analysis of organizational charts and VBA and NCA websites.

Note: As shown in this chart, VA guidance assigns responsibility to offices and, at other times, specific positions.

* VBA implemented a personnel security compliance team in October 2023.

Each of these officials and offices have responsibilities for ensuring that background investigations of new employees are completed in a timely manner and are reliably recorded in

VA's systems. Per VA policy, these offices must collaborate with one another to ensure that the personnel suitability program is effective and efficient.³²

Future State of the Suitability Program

The federal government intends to overhaul its personnel security function in phases by fiscal year 2026. Beginning in March 2018, the Office of Personnel Management and the Office of the Director of National Intelligence launched the Trusted Workforce 2.0 effort and partnered with agencies across the federal government, including VA. Trusted Workforce 2.0 will change the personnel vetting process by replacing periodic reinvestigations with a continuous vetting program. Continuous vetting involves regularly reviewing an individual's background to ensure they continue to meet position requirements. This vetting uses information from databases on criminal, terrorist, and financial activity, as well as public records. In addition, low-risk positions, which currently are not subject to reinvestigations, will undergo continuous vetting.

As of January 2024, the federal government has enrolled national security positions into continuous vetting and has begun a pilot to expand this vetting to moderate-risk and high-risk positions.³³ However, as of July 2024, the government was revising upcoming milestones for the Trusted Workforce 2.0 effort.³⁴

³² VA Directive 0710.

³³ Trusted Workforce 2.0, "Personnel Vetting Quarterly Progress Update, FY24 Q1," January 2024. The Security, Suitability, and Credentialing Performance Accountability Council, which is led by the Office of Management and Budget, Office of the Director of National Intelligence, Office of Personnel Management, and Department of Defense, releases quarterly status updates that detail progress being made toward the Trusted Workforce 2.0 effort and any revisions to existing milestones.

³⁴ Trusted Workforce 2.0, "Personnel Vetting Quarterly Progress Update, FY24 Q3," July 2024.

Results and Recommendations

Finding: VBA's and NCA's Personnel Suitability Programs Need Improved Governance

VBA and NCA did not effectively govern their personnel suitability programs to ensure that background investigations, including adjudications, were completed within required time frames and recorded reliably for staff at VA regional offices, cemeteries, and administrative offices. Specifically, the audit team found noncompliance with requirements at several points in the suitability process:

- **Submissions of questionnaires not consistently complete.** The team found that two of 353 VBA employees in the audit sample did not have sufficiently complete questionnaires, preventing their investigations from being initiated.³⁵ Although small in number, any uninitiated background investigation poses a risk that warrants further attention by VA senior leaders.
- **Delays in investigation initiation.** When background investigations were initiated, the team estimated that 2 percent of investigations for VBA employees and 57 percent for NCA employees were not started within 14 calendar days of an employee's start date as required.³⁶
- **Discontinued investigations not always reinitiated.** The team found that VBA did not reinitiate discontinued investigations for three employees in the audit sample.³⁷ Therefore, these VBA employees did not have a background investigation as required. Any number of uncompleted background investigations warrants further attention by VA senior leaders.
- **Adjudications beyond the required deadline.** Once DCSA closed investigations, VBA and NCA did not always adjudicate the results within timeliness requirements. Using results from the sample analysis, the team estimated that 71 percent of the investigations for VBA employees and 58 percent for NCA employees were not

³⁵ The team reviewed a sample of 353 personnel records from an estimated total of 2,200 VBA employees and a sample of 47 personnel records from an estimated total of 330 NCA employees initially hired from January 1, 2021, through December 31, 2022, and evaluated investigation actions for those employees through March 2024.

³⁶ 5 C.F.R. § 736.201; VA Handbook 0710.

³⁷ Background investigations can be discontinued because DCSA might not be able to obtain required information from the requesting agency and cannot continue the investigation. Additionally, if another investigation for that employee was already in progress or closed within the prior two years, the investigation could be discontinued.

adjudicated within 90 days of the date of the final investigative report as mandated.³⁸

- **Documentation not maintained in personnel folders.** VBA and NCA also did not ensure documentation was uploaded into personnel folders as required. Using results from the sample analysis, the team estimated 67 percent of VBA employees and 44 percent of NCA employees did not have a certificate of investigation uploaded into their electronic personnel folder at the end of the suitability process.³⁹

The audit team found that suitability staff largely entered data correctly into VA-CABS. Separately, approximately 95 percent of VBA records and 100 percent of NCA records in HR Smart did not match supporting documentation. The requirement for staff to enter information into HR Smart was rescinded in January 2024—outside the review period of this audit.⁴⁰ The OIG is presenting this information because the requirement was in place during the audit's review period, although the OIG did not make a recommendation given the rescission.

These adjudication and documentation issues occurred because VBA and NCA prioritized prescreening over adjudicating investigation results for newly hired employees. This practice contributed to backlogs in other personnel suitability processes and limited oversight of those functions. As a result, both administrations assume unnecessary risk by allowing staff who are not fully vetted to handle sensitive personal information and interact with veterans for extended periods of time.

The following determinations formed the basis for this finding and led to the OIG's recommendations:

- VBA and NCA employee background investigative actions were not completed within required timelines.
- VBA's and NCA's focus on prescreening and a lack of oversight led to deficiencies within the administrations' personnel suitability programs.
- VA has begun implementing additional oversight efforts since the OIG's September 2023 report, but challenges remain.

³⁸ 5 C.F.R. § 731.203; VA Handbook 0710; Exec. Order No. 13,869, 84 Fed. Reg. 18,125 (Apr. 29, 2019). All delinquent investigations in the associated sample records have been adjudicated by VA.

³⁹ VA Handbook 0710.

⁴⁰ VA PERSEC Advisory 24-01. This change occurred because past VA OIG audits found investigation data mismatches between HR Smart and VA-CABS that were caused by a requirement to manually enter data into HR Smart.

What the OIG Did

The audit team estimated that 2,200 VBA employees and 330 NCA employees were initially hired from January 1, 2021, through December 31, 2022, and required an investigation that should have been processed by these administrations.⁴¹ The team reviewed a sample of records for 353 VBA employees and 47 NCA employees and evaluated investigation actions for those employees through March 2024. The team also interviewed human resources personnel in the two administrations and interviewed personnel suitability officials in the VA central office. Finally, the team considered potential program improvements reported by suitability officials through June 2024.

VBA and NCA Employee Background Investigative Actions Were Not Completed within Required Timelines

VA administrations are responsible for initiating and adjudicating background investigations, as well as recording suitability information in several systems. The audit team found that VBA and NCA personnel suitability staff did not consistently complete required actions on time throughout the background investigation process. These actions included initiating the background investigation, adjudicating the investigation's results, uploading required documentation in the employee's electronic personnel folder, and updating VA's human resources information system.

VBA and NCA Suitability Staff Generally Ensured Submissions to DCSA Were Sufficiently Complete, although Sporadic Lapses Occurred within VBA

VA suitability staff are required to initiate the background investigation process within 14 calendar days of an employee's appointment.⁴² The appointee completes an electronic questionnaire, and the office submits it to DCSA to conduct the investigation.

DCSA can return investigation requests to agencies as unacceptable when the submission is not completed correctly or is missing essential information about the individual being investigated.

⁴¹ Data reliability is discussed in appendix B. Appendix C summarizes the audit team's statistical sampling methodology.

⁴² 5 C.F.R. § 736.201; VA Handbook 0710. Federal regulations and VA Handbook 0710 do not define when an investigation is considered "initiated." An Office of Personnel Management memorandum from December 2020 states that an investigation is considered initiated when the department or agency has submitted the request for investigation to the federal background investigation provider and the provider has scheduled the investigation. Office of Personnel Management acting director, "Credentialing Standards Procedures for Issuing Personnel Identity Verification Cards under HSPD-12 and New Requirement for Suspension and Revocation of Eligibility for Personnel Identity Verification Credentials," memorandum to the heads of executive departments and agencies, December 15, 2020. For the purposes of this audit, the OIG used the date the investigation was scheduled with DCSA.

When this happens, the request will be rejected and sent back to the agency for correction. The audit team did not identify instances in which NCA staff did not initiate background investigations for sampled employees. However, two VBA employees in the sample had questionnaires that were returned to VBA for correction but were not resubmitted to begin the investigation. Any number of uncompleted background investigations for employees with access to veterans' sensitive personal and financial information poses a risk that warrants further attention.

One employee, who was a legal administrative specialist for the St. Louis National Call Center in Missouri, had their questionnaire returned to VBA due to missing information. VBA asked the employee to correct the questionnaire, but that individual did not submit the necessary information. As a result, DCSA's system automatically terminated the questionnaire when the employee had been onboard about two months. However, VBA did not attempt to restart the questionnaire promptly, and the employee worked for almost 15 additional months before a background investigation was initiated.

The other employee, a vocational rehabilitation counselor for the Veteran Readiness and Employment Service at the Houston Regional Office in Texas, had an unacceptable questionnaire returned to VBA before the employee's first day. However, VBA did not send it to the employee for correction for two months after the employee came onboard. The employee resubmitted the questionnaire, but VBA did not take action, and DCSA's system automatically terminated it after three months. This individual worked for an additional 10 months before a background investigation was initiated.

In both instances, VBA initiated the investigations after the OIG team requested information about the cases and favorably adjudicated each case upon closure. Ensuring background investigation requests are sufficiently complete is critical to allow DCSA to conduct investigations in a timely manner. In turn, this ensures relevant information is shared with VA personnel for review and adjudication.

Suitability Staff Delayed Initiating Background Investigations

When background investigations were initiated, suitability staff did not consistently start them within the required 14 calendar days following an employee's start date.⁴³ The team estimated, based on its sample results, that 44 investigations for VBA employees (2 percent) and 190 investigations for NCA employees (57 percent) were not initiated within this period. Most of VBA's and NCA's delayed investigations in the sample were initiated within 30 days.

⁴³ 5 C.F.R. § 736.201; VA Handbook 0710.

VBA Suitability Staff Did Not Ensure Discontinued Investigations Were Reinitiated in Certain Instances

Background investigations can be discontinued for several reasons. For example, DCSA might not be able to obtain required information from the requesting agency and cannot continue the investigation. The submitting agency can also request the investigation be discontinued.

Additionally, if another investigation for that employee was closed within the prior two years, the requesting agency's investigation could be discontinued. An investigation also might be closed because another investigation was already in progress. In these instances, DCSA notifies the agency electronically that the investigation has been discontinued.

The audit team found that DCSA discontinued investigations for three VBA employees in the sample and, although the employees required an investigation, none were reinitiated.⁴⁴ As such, these employees were working without investigations for extended time frames:

- VBA did not reinitiate an investigation for a veterans service representative working for the San Diego Regional Office in California for about 20 months after being notified by DCSA that it was discontinued.
- For a vocational rehabilitation counselor for the Veteran Readiness and Employment Service at the Waco Regional Office in Texas, VBA did not reinitiate the investigation for 17 months after it was discontinued.
- A veterans service representative for the Veterans Service Center at the Milwaukee Regional Office in Wisconsin did not have an investigation reinitiated by VBA for nearly two years after it had been discontinued.

VBA reinitiated all three investigations after the start of the OIG's audit. As of March 2024, the three investigations have been favorably adjudicated.

Suitability Staff Adjudicated Employee Background Investigations Late

Once an investigation has been completed and returned from DCSA, suitability staff use the Office of Personnel Management's Suitability Processing Handbook to review the report of investigation and make an adjudicative determination. A determination is based on an objective analysis of both favorable and unfavorable information about a person's character and conduct. VA suitability staff must then report adjudicative decisions within 90 days from when DCSA closes the final investigative report.⁴⁵ However, in instances where no issues are found in the

⁴⁴ The audit team only evaluated those discontinued investigations that were identified during the sample analysis. The team did not identify any instances where sampled NCA employees had discontinued investigations.

⁴⁵ 5 C.F.R. § 731.203; VA Handbook 0710; Exec. Order No. 13,869.

investigation, DCSA automatically renders a favorable adjudication, also referred to as eAdjudication. Using sample results, the team estimated that DCSA automatically adjudicated 410 VBA investigations (19 percent) and 64 NCA investigations (19 percent), which should have reduced the adjudication workload for suitability staff.⁴⁶

For the remaining 1,800 investigations not adjudicated by DCSA, the OIG estimated that VBA suitability staff did not adjudicate 1,300 within 90 days as required (71 percent). The 202 delinquent adjudications in the team's sample ranged from 92 to 646 days and averaged 297 days.⁴⁷ For the 55 cases that were adjudicated beyond 365 days, the employees may already be beyond the probationary employment period.⁴⁸ In these instances, if suitability staff make an unfavorable determination, the employees are entitled to additional due process and cannot be as easily removed. Table 2 summarizes the age of VBA's delinquent adjudications.

Table 2. Age of VBA's Delinquent Adjudications

Days to adjudicate	Cases
91–120	14
121–180	24
181–270	44
271–365	65
366–545	47
546–646	8
Total	202

Source: VA OIG analysis of certificates of investigation received from VBA and employee electronic personnel folders and personnel action documents retrieved from employee electronic personnel folders.

Adjudications of investigations for VBA employees were significantly delayed. For example, suitability staff took over one year to adjudicate the background investigation for a human resources specialist for the Baltimore Human Resources Center in Maryland, over one year for a legal administrative specialist for the Nashville National Call Center in Tennessee, and almost 19 months for a veterans service representative for the Des Moines Regional Office in Iowa.

⁴⁶ The team did not identify any delinquent eAdjudications in its analysis.

⁴⁷ Because five background investigations were not completed and DCSA adjudicated 65 investigations, the cohort analyzed here is composed of the remaining 283 investigations. All 202 delinquent investigations identified in the sample have been adjudicated by VA. VBA took action to adjudicate 100 of the investigations after the OIG team's inquiry.

⁴⁸ Title 5 employees are generally subject to a one-year probationary period pursuant to 5 C.F.R. § 315.802 (2021).

For the remaining 270 investigations that were not adjudicated by DCSA, the team estimated that NCA suitability staff did not adjudicate investigations on time for 160 employees (58 percent). The 22 delinquent adjudications in the team's sample ranged from 100 to 398 days and averaged 264 days.⁴⁹ Table 3 summarizes the age of NCA's delinquent adjudications.

Table 3. Age of NCA's Delinquent Adjudications

Days to adjudicate	Cases
91–120	2
121–180	1
181–270	6
271–365	11
Over 365	2*
Total	22

Source: VA OIG analysis of certificates of investigation received from NCA and employee electronic personnel folders and personnel action documents retrieved from employee electronic personnel folders.

** The two investigations exceeding 365 days took 380 and 398 to adjudicate.*

Adjudications of investigations for NCA employees also experienced lengthy delays. For example, suitability staff took over nine months to adjudicate the background investigation for a cemetery representative for the Tahoma National Cemetery in Kent, Washington; over one year for a cemetery caretaker at the Sacramento Valley National Cemetery in California; and over 13 months for a cemetery caretaker at the West Virginia National Cemetery.

Suitability Staff Did Not Consistently Upload Required Documentation into Employee Personnel Folders

Per VA policy, upon a favorable determination, the certificate of investigation is signed, and a copy is placed in the employee's electronic personnel folder.⁵⁰ However, both VBA and NCA suitability staff did not consistently upload copies of the certificate of investigation in the personnel folder. The team estimated that 1,000 VBA employee records (67 percent) and

⁴⁹ Because DCSA adjudicated nine investigations, the cohort analyzed here is composed of the remaining 38 investigations. All 22 delinquent investigations in the sample have been adjudicated by VA. NCA took action to adjudicate eight of the investigations after the OIG team's inquiry.

⁵⁰ VA Handbook 0710.

120 NCA employee records (44 percent) did not have a certificate of investigation uploaded into the personnel folder.⁵¹

Documents, such as the certificate of investigation, in the electronic personnel folder follow an employee throughout their federal career and are accessible by the employee and subsequent employing agencies. The long-term records included in the personnel folder protect the legal and financial rights of the government and the employee.⁵² Additionally, if no information is available in other data systems, the certificate can serve as proof the investigation was completed and favorably adjudicated. Without the certificate, VA and other agencies may not be able to validate an employee's investigation.

Suitability Staff Largely Entered Data Correctly into VA-CABS but Not HR Smart

VA-CABS became the system of record for all personnel suitability data in July 2022. At the time of the team's analysis, VA policy also required human resources staff to complete certain data fields related to background investigations in HR Smart, such as the investigation level, the status of the investigation, and the date it was closed. The team compared data from VA-CABS and HR Smart to certificates of investigation.

The team estimated that the adjudication dates in VA-CABS matched the certificate of investigation for 1,500 applicable VBA records (98 percent) and for 270 applicable NCA records (97 percent). However, the team estimated that HR Smart investigation data did not match corresponding fields on the certificate of investigation for 1,400 VBA records (95 percent) and all 280 NCA records (100 percent). The OIG notes that, in January 2024, HRA/OSP rescinded the requirement to update HR Smart's investigation status fields.⁵³ However, this report presents the results on HR Smart data quality because the requirement was in place during the audit's review period.

VBA's and NCA's Focus on Prescreening and a Lack of Oversight Led to Deficiencies within the Administrations' Personnel Suitability Programs

The Office of Management and Budget and the *Standards for Internal Control in the Federal Government* require that managers establish and maintain internal controls necessary for

⁵¹ The team estimated 690 of the 2,200 VBA investigations and 57 of the 330 NCA investigations had not been adjudicated during the review period, so certificates of investigation would not have been uploaded into the employee's electronic personnel folder and investigation data would not have been updated in either HR Smart or VA-CABS. The team projected that the remaining 1,500 VBA investigations and 280 NCA investigations were applicable for assessing documentation retention and data quality. These numbers do not sum due to rounding.

⁵² Office of Personnel Management Operating Manual, *The Guide to Personnel Recordkeeping*, June 1, 2011.

⁵³ VA PERSEC Advisory 24-01.

effective and efficient program operations.⁵⁴ Managers are responsible for monitoring program operations and establishing a control environment that includes appropriate staffing and training.⁵⁵

Further, VA policy required that the under secretaries for benefits and memorial affairs ensure that VBA and NCA, respectively, comply with personnel suitability policies and procedures.⁵⁶ The under secretaries must also establish and maintain effective suitability and fitness determination programs by using automated processes and by addressing and correcting conditions that are noncompliant with regulatory guidance.⁵⁷

During the audit review period, both administrations prioritized prescreening of staff. VBA significantly increased its staffing levels for positions responsible for processing new and existing claims in response to legislation expanding presumptive conditions for veterans' benefits. In turn, VBA human resources staff focused on prescreening and initiating background investigations to onboard new staff. NCA similarly focused on the front end of the suitability process in response to concerns about the length of time it took to onboard new employees.

However, these management actions contributed to backlogs in adjudications and other personnel suitability processes. This focus also meant that the administrations only established metrics to track progress for those front-end steps. In doing so, oversight on other key personnel suitability functions was limited.

The OIG acknowledges that each administration experienced staffing constraints in their respective personnel suitability programs. However, these challenges were not the only cause of the backlog. The decision to focus only on onboarding and initiating background investigations, and to only track metrics solely focused on these front-end processes, also contributed to the backlog.

VBA Prioritized Prescreening Activities in Response to an Expanding Workforce

Congress expanded benefits for veterans several times during the audit review period, leading VBA to increase its staffing levels to manage claims for newly eligible beneficiaries. For instance, in 2021, Congress expanded presumptive conditions related to toxic exposures,

⁵⁴ Office of Management and Budget Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016; Government Accountability Office (GAO), *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014.

⁵⁵ GAO, *Standards for Internal Control in the Federal Government*.

⁵⁶ VA Directive 0710.

⁵⁷ VA Handbook 0710.

prompting VBA to hire additional staff to process new and existing claims.⁵⁸ The influx of new employees led VBA human resources staff to prioritize the prescreening and the initiation of background investigations over other parts of the suitability process. These front-end steps enable new employees to obtain a personal identity verification card and to access VA's information systems and its facilities. VBA again increased claims-processing capacity after the passage of the PACT Act in 2022, which necessitated quick hiring for newly authorized positions.⁵⁹ Human resources staff continued to prioritize front-end onboarding and suitability steps to help achieve those hiring goals.

VBA's decision to prioritize the front-end process to meet hiring goals resulted in an estimated 98 percent timely initiation of background investigations; however, it led to deficiencies in other key areas of the personnel suitability process. As noted previously, the OIG estimated that VBA only adjudicated 29 percent of its investigations on time and uploaded just 33 percent of the required certificates into employee records. This backlog of adjudications also led VBA to request assistance from the VA Personnel Security Adjudication Center to process adjudications for a fee.⁶⁰

VBA's prioritization of front-end steps was reflected in tools developed for workload management. For example, VBA implemented dashboards that tracked metrics related to onboarding, including the prescreening process. However, similar metrics were not being tracked for background investigation adjudications.⁶¹ As such, VBA had limited visibility on delinquent adjudications of employee background investigations.

The OIG acknowledges that VBA has historically had staffing constraints. In 2021, the personnel suitability function had 12 staff. However, by August 2023, they had increased their staff to 35.⁶² While VBA has more than doubled its personnel suitability workforce, the backlog of adjudications remained an issue.

⁵⁸ William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. 116-283. When a disease or disability is designated as presumptively service connected, veterans do not need to prove that a disability or illness was caused by a specific exposure that occurred during service in the armed forces.

⁵⁹ The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act of 2022, Pub. L. No. 117-168. The PACT Act expands VA health care and benefits for veterans exposed to burn pits and other toxic substances. As a result of the PACT Act, VBA expected a 66 percent increase in disability benefits claims year-to-year.

⁶⁰ The VA Personnel Security Adjudication Center conducts investigation initiations and adjudications for subsets of VA staff (for example, national security positions, police officers, and contractors). Additionally, the center provides investigation initiations and adjudications for VA components on an ad hoc, fee-for-service basis.

⁶¹ For fiscal year 2024, VBA developed an adjudication dashboard that detailed how many investigations were received from DCSA, whether the investigations pending adjudication were beyond the 90-day requirement, and how many were adjudicated.

⁶² These figures do not include the personnel suitability team that processes nonemployee suitability actions.

NCA Focused on Prescreening Due to Concerns with Employee Onboarding Time

NCA human resources staff focused on the fingerprint check—a subset of the prescreening process—in response to direction from leaders to reduce the length of the onboarding process. However, in doing so, NCA's initiation and adjudication of background investigations were delayed. As discussed previously, the OIG estimated that NCA only initiated 43 percent and adjudicated 42 percent of its investigations within required time frames. Additionally, NCA uploaded just 56 percent of the required certificates into employee records.

NCA did not develop metrics that encompassed the entire background investigation process. Instead, in April 2023, NCA implemented an internal metric to track monthly fingerprint checks to verify adjudication timeliness—further demonstrating their focus on the prescreening process. According to officials, this metric was developed to expedite hiring. However, the OIG did not identify similar oversight efforts for initiating and adjudicating background investigations.

Furthermore, the team's sample analysis of adjudication actions that were completed showed that NCA's focus on the fingerprint check contributed to two NCA suitability staff adjudicating only 10 percent of NCA's investigations, as indicated in table 4. For the remainder, two VHA staff adjudicated 67 percent of the workload and DCSA automatically adjudicated 23 percent.⁶³

⁶³ The audit team found that NCA received assistance from VHA staff who were detailed to the administration to assist with adjudicating investigations. When compared to table 4, the total for the NCA staff does not sum due to rounding.

Table 4. Adjudicators for Sampled NCA Investigations

Adjudicator	Number	Percentage
DCSA eAdjudication	9	23
VHA employee 1	23	59
VHA employee 2	3	8
NCA employee 1	3	8
NCA employee 2	1	3
Total	39	100

Source: VA OIG analysis of certificates of investigation received from NCA and employee electronic personnel folders.

Note: Percentages in the table do not sum due to rounding. Eight additional adjudications were completed by a different NCA employee after the OIG requested documentation from the administration.

VBA and NCA Risk an Unsuitable Workforce for VA Regional Offices and Cemeteries

VBA lacks assurance that all staff are suitable for handling sensitive information, including veterans' financial records, personally identifiable information, and health records. This information is used to make important decisions related to benefits claims. NCA also lacks assurance that all staff are properly vetted to maintain national cemeteries and monument sites, which potentially includes interacting with veterans' families. Further, delays in adjudication actions could limit VBA's and NCA's ability to easily remove unsuitable staff before the end of the probationary employment period.

VA Has Begun Implementing Additional Oversight Efforts since the OIG's September 2023 Report, but Challenges Remain

Since the September 2023 follow-up audit of VHA's personnel suitability program, HRA/OSP told the OIG that they reimplemented the department-wide inspection program, and the first review took place in December 2023.⁶⁴ Additionally, HRA/OSP began implementing a reporting platform that would centralize personnel suitability data from multiple VA and other governmental systems, which will be compiled into reports for audits and remediation.

During interviews with VBA officials in November 2023, the audit team learned that the administration was implementing a compliance team within the personnel suitability division. In

⁶⁴ VA Handbook 0710 requires that HRA/OSP conduct oversight and functional program reviews to evaluate compliance with requirements. However, HRA/OSP suspended the required inspection program in May 2019 due to insufficient staffing.

January 2024, VBA published an advisory providing guidance to staff regarding documents to be stored in VA-CABS.⁶⁵ Additionally, that same month, VBA finalized a guide establishing a compliance program, which consists of regular monitoring and annual site reviews for each servicing security office. Each pay period, the compliance team will verify investigations are initiated as required and perform a quality review of one adjudication from each adjudicator. During the annual reviews, the compliance team will verify that all employees have the correct investigation for their positions, investigations meet timeliness and documentation requirements, and suitability staff meet adjudication requirements. By May 2024, VBA's compliance team completed three site reviews. Also, in June 2024, VBA reported reducing its backlog of delinquent investigations by about half.

NCA officials provided evidence in June 2024 demonstrating that the administration began tracking metrics on initiating the electronic questionnaire and adjudicating background investigations. NCA's data showed that, on average, the administration was initiating the electronic questionnaires and adjudicating background investigations within required timeframes from January through May of 2024. Additionally, NCA reported making progress on adjudicating previously backlogged investigations. Lastly, HRA/OSP reported in February 2024 that, because NCA has a low workload, HRA/OSP will conduct quarterly reviews of the administration's program and provide reports to NCA.

However, HRA/OSP provided other evidence to the OIG team that indicated its suboffice, Personnel Security and Credential Management, lacked the resources to conduct oversight. HRA/OSP attributed this to staffing and funding constraints. For example, this suboffice has had three vacant positions open for more than one year and was unable to fill them because of a lack of funding.⁶⁶ The OIG remains concerned that staffing shortages will inhibit enterprise-wide oversight and compromise the long-term sustainability of VA's personnel suitability inspection program. Further, the issues identified in this report, as well as the follow-up audit of VHA's personnel suitability program, may persist.

Conclusion

To ensure background investigations are initiated and adjudicated as required, VBA and NCA need to implement effective governance over their personnel suitability programs. Employees at regional offices and cemeteries were working without background investigations initiated or adjudicated on time and without a documented suitability determination uploaded into their personnel files. These issues occurred because VBA and NCA prioritized prescreening over adjudicating background investigations and conducted limited oversight of their personnel

⁶⁵ VBAPERSEC 24-01, *VA-CABS Documentation Requirements*, January 3, 2024.

⁶⁶ Department of Veterans Affairs–Office of Identity, Credential, and Access Management, *VA Personnel Security and Suitability Program Compliance Plan*, January 2024.

suitability programs. Additionally, both administrations experienced staffing constraints during the audit's review period. Unless VBA and NCA implement controls designed to cover the entire suitability process, they risk exposing veterans, employees, and sensitive information to staff who have not been fully vetted for extended periods of time.

Recommendations 1–4

The OIG's September 2023 audit report made seven recommendations to address governance issues in VHA's personnel suitability program.⁶⁷ Due to HRA/OSP's enterprise-wide responsibilities, two of the recommendations extend to activities across all administrations and apply to VBA and NCA. In particular, the OIG recommended that the VA deputy secretary establish robust oversight of the suitability program and assess program resources and allocate staff as needed to prioritize oversight of the program within responsible offices. At the time of this writing, these recommendations remain open and will not be reissued as part of this report.

Specific to findings in VBA, the OIG issued two recommendations to the under secretary for benefits to take the following actions:

1. Execute the compliance plan for the Veterans Benefits Administration's personnel suitability program.
2. Ensure the Veteran Benefits Administration's personnel suitability program oversight verifies background investigations are initiated and adjudicated within prescribed timelines and that documentation is filed as required.

The OIG also issued two recommendations to the under secretary for memorial affairs to take the following actions:

3. Establish a plan to ensure robust oversight of the National Cemetery Administration's personnel suitability program that includes verifying background investigations are initiated and adjudicated within prescribed timelines and that documentation is filed as required.
4. Evaluate resource requirements for the personnel suitability program to ensure that all personnel suitability requirements are being met.

VA Management Comments

The under secretary for benefits concurred with recommendations 1 and 2 and provided corrective action plans. The full text of the under secretary's comments is included in appendix D. In response to the recommendations, the under secretary stated that VBA implemented a

⁶⁷ VA OIG, *VA's Governance of Its Personnel Suitability Program for Medical Facilities Continues to Need Improvement*.

comprehensive compliance plan for its personnel suitability program, published a compliance program guide, and conducted biweekly reviews of background investigations to verify that actions are within required time frames and documentation is uploaded as required. The response included seven attachments meant to support the actions taken. Based on these steps, the under secretary requested closure of both recommendations.

The acting under secretary for memorial affairs concurred with recommendations 3 and 4 and provided corrective action plans. The full text of the under secretary's comments is included in appendix E. In response to recommendation 3, NCA will track and measure the performance of the full scope of its personnel suitability program, including timeliness of initiation and adjudication of background investigations, as well as document investigation results. To implement recommendation 4, NCA backfilled a vacancy within the personnel suitability section to staff the office with three personnel security specialists.

OIG Response

VBA's comments and corrective action plans are responsive to the intent of the recommendations. However, the OIG did not find the actions taken and the documentation provided sufficient to close the recommendations at this time. As noted previously in this report, VBA published a compliance plan in January 2024 to guide regular monitoring and annual site reviews of each servicing security office.⁶⁸ The audit team also noted that, by May 2024, VBA's compliance team completed three site visits. The documentation VBA attached in response to the recommendations reconfirmed these steps and provided evidence of one additional site visit.

VBA provided evidence of one biweekly review that assessed whether newly appointed staff had background investigations initiated. However, that biweekly review did not address the adjudication of background investigations or determine whether suitability staff completed initiation and adjudication actions within required time frames.⁶⁹ To close the recommendations, VBA needs to provide evidence demonstrating sustained implementation of the biweekly timeliness reviews for investigation initiations. Additionally, VBA needs to provide evidence demonstrating compliance and oversight actions related to the adjudication of background investigations. The OIG will monitor implementation of planned actions and will close the recommendations when VBA provides evidence demonstrating sufficient progress in addressing the issues identified.

NCA's comments and corrective action plans are responsive to the intent of the recommendations. The OIG will monitor implementation of planned actions and will close the

⁶⁸ See the section within this report titled "VA Has Begun Implementing Additional Oversight Efforts since the OIG's September 2023 Report, but Challenges Remain."

⁶⁹ The OIG estimated that VBA suitability staff did not adjudicate 1,300 of investigations within 90 days as required (71 percent) (for more information, see the "Suitability Staff Adjudicated Employee Background Investigations Late" section of this report).

recommendations when NCA provides evidence demonstrating sufficient progress in addressing the issues identified.

Appendix A: Prior Related Publications

The VA Office of Inspector General (OIG) and the Government Accountability Office (GAO) published seven reports between 2018 and 2023 focusing on VA's personnel suitability program.

Audit of the Personnel Suitability Program (March 26, 2018)

The OIG found that neither VA nor the Veterans Health Administration (VHA) effectively governed the personnel suitability program in a manner necessary to ensure that background investigation requirements were met at medical facilities nationwide.⁷⁰ The OIG estimated that the Veterans Health Administration (VHA) had not initiated a background investigation for 6,200 employees from October 1, 2011, through September 30, 2016. Additionally, human resources staff did not adjudicate background investigations within required time frames. Finally, VA could not independently attest to the status of personnel suitability adjudications because HR Smart fields necessary to track background investigations to conclusion did not exist or were incomplete. As a result, VA could not account for the investigation status of VHA personnel, which risked exposing veterans and employees to individuals who may not have been properly vetted.

Potential Risks Associated with Expedited Hiring in Response to COVID-19 (March 11, 2021)

In a management advisory memorandum, the OIG identified risks associated with VHA's efforts to expedite hiring and onboarding during the COVID-19 pandemic.⁷¹ These risks included delays in fingerprint-based criminal history checks that may also have affected the timely adjudication and reporting of background investigations. The risk was amplified by the large number of new employees appointed from VHA's expedited hiring efforts. The OIG determined that, in the absence of completed background investigations, more safeguards may be warranted for new employees until vetting is completed. The OIG conveyed important information for VHA to consider but did not make any specific recommendations for corrective action in this memorandum.

⁷⁰ VA OIG, [Audit of the Personnel Suitability Program](#), Report No. 17-00753-78, March 26, 2018.

⁷¹ VA OIG, Management Advisory Memorandum 20-00541-34, [Potential Risks Associated with Expedited Hiring in Response to COVID-19](#), March 11, 2021.

Care and Oversight Deficiencies Related to Multiple Homicides at the Louis A. Johnson VA Medical Center in Clarksburg, West Virginia (May 11, 2021)

The OIG issued a report regarding care and oversight deficiencies related to multiple homicides at the Louis A. Johnson VA Medical Center in Clarksburg, West Virginia.⁷² On July 14, 2020, Ms. Reta Mays, a former nursing assistant, pled guilty to seven counts of second-degree murder and one count of assault with the intent to commit murder, all by deliberately administering lethal doses of insulin to patients. The subsequent OIG inspection included a finding that the medical center had not adjudicated Ms. Mays' background investigation within 90 days as required. Specifically, the Office of Personnel Management closed her investigation in September 2015, and the medical center did not adjudicate the investigation results before her employment was terminated in March 2019. Had the medical center reviewed them in a timely manner, responsible personnel could have identified and followed up on delinquent inquiries to previous employers.⁷³ The OIG later learned that Ms. Mays' employment history contained allegations that she used excessive force while she was previously employed as a corrections officer. While VA's vetting process has multiple steps, timely review and adjudication of Ms. Mays' background investigation could have disqualified her from VA employment or prevented her from filling a position that provided direct patient care.

Action Needed to Address Persistent Control Weaknesses and Related Risks in Employee Screening Processes (February 23, 2023)

A GAO report highlighted lapses in VHA's screening processes for employees with controlled substance-related criminal histories.⁷⁴ In addition to issues with VHA's process for obtaining waivers from the Drug Enforcement Administration for these employees, the GAO found that certain background investigation requirements were not completed. Specifically, some employees did not have background investigations completed and others did not have documented investigations in their personnel files.

⁷² VA OIG, [*Care and Oversight Deficiencies Related to Multiple Homicides at the Louis A. Johnson VA Medical Center in Clarksburg, West Virginia*](#), Report No. 20-03593-140, May 11, 2021.

⁷³ VHACOPERSEC Advisory 16-12, *VHA Adjudicator Consistency*, September 29, 2016. This advisory states, "With employer vouchers, if OPM [Office of Personnel Management] inquiries to prior employers are undeliverable, returned, discrepant, or present issues, follow-up with the employer should occur to obtain any relevant employment records."

⁷⁴ GAO, *Action Needed to Address Persistent Control Weaknesses and Related Risks in Employee Screening Processes*, GAO-23-104296, February 23, 2023.

Personnel Suitability Process Concerns at the Beckley VA Medical Center in West Virginia (February 23, 2023)

The OIG found that some employees working at the Beckley VA Medical Center did not have a background investigation initiated or were not fingerprinted, while other investigations were delayed, incorrectly discontinued, or not completed within required time frames.⁷⁵ This occurred because of understaffing at the facility and inadequate regional and national oversight.

VA's Governance of Its Personnel Suitability Program for Medical Facilities Continues to Need Improvement (September 21, 2023)

This follow-up audit to the 2018 OIG report found VHA staff did not initiate or adjudicate all background investigations within required time periods and did not maintain documentation to validate the completion of favorable adjudications.⁷⁶ These deficiencies allowed some personnel with direct patient care responsibilities to be employed without vetting for long periods, although the identified cases were eventually favorably completed. These issues occurred because neither VA nor VHA provided effective oversight over the program, and regions lacked sufficient staff to manage and maintain regular operations. Additionally, VA's background investigation data and information systems were incomplete and unreliable to track the status of investigative actions or key metrics or conduct effective program oversight.

Noncompliance with Contractor Employee Vetting Requirements Exposes VA to Risk (February 8, 2024)

The OIG found VA officials had a high rate of noncompliance with executive orders, federal relations, or VA policies for vetting contractor staff.⁷⁷ In particular, the OIG found that almost all contract files did not establish investigative requirements, and most did not communicate the vetting requirements to the contractor. Most staff did not have evidence of a completed fingerprint check or background investigation. This occurred because VA's directives and handbooks are outdated, conflicting, and include inaccurate roles and responsibilities for the suitability program.

⁷⁵ VA OIG, [*Personnel Suitability Process Concerns at the Beckley VA Medical Center in West Virginia*](#), Report No. 21-03718-47, February 23, 2023.

⁷⁶ VA OIG, [*VA's Governance of Its Personnel Suitability Program for Medical Facilities Continues to Need Improvement*](#), Report No. 21-03718-189, September 21, 2023.

⁷⁷ VA OIG, [*Noncompliance with Contractor Employee Vetting Requirements Exposes VA to Risk*](#), Report No. 21-03255-02, February 8, 2024.

Appendix B: Scope and Methodology

Scope

The VA Office of Inspector General (OIG) team conducted its work from September 2023 through July 2024. The scope of the audit focused on Veterans Benefits Administration (VBA) and National Cemetery Administration (NCA) staff initially hired from January 1, 2021, through December 31, 2022, (two calendar years) who were still onboard as of June 30, 2023. The team examined investigative actions for those employees through March 2024 to assess controls over the background investigation process for VBA and NCA staff and determine if investigation actions were completed on time and recorded reliably.

Methodology

To accomplish the objectives, the team identified and reviewed applicable executive orders, regulations, Office of Personnel Management guidance, and VA policies and procedures. The team interviewed 26 officials and staff in the Personnel Security and Credential Management office, VBA's Office of Human Capital Services, and NCA's Human Capital Management office. The team also conducted virtual site visits with the human resources offices in the two administrations. During these site visits, the team interviewed human resources managers and personnel security staff and reviewed sample cases with the staff.

The team reviewed a statistical sample of 625 records from HR Smart and validated whether the records were associated with VBA and NCA employees within the audit review period (initially hired between January 1, 2021, and December 31, 2022, and still onboard as of June 30, 2023) who required a background investigation to be processed through one of the administrations. The team found that 400 of the 625 records met these conditions and used this subset of records to (1) estimate the actual universes and (2) analyze investigation actions. Appendix C contains details of the statistical sampling methodology.

The team independently extracted certificates of investigation and personnel action documentation from employee personnel files and solicited the administrations for related evidence. To determine the status of investigations, the team reviewed data from the VA Centralized Adjudication Background Investigation System (VA-CABS), the Personnel Investigations Processing System, and the electronic Questionnaire for Investigations Processing. The team also considered potential program improvements reported by suitability officials through June 2024.

Internal Controls

The audit team assessed the internal controls of VBA's and NCA's personnel suitability programs significant to the audit objective. This included an assessment of the five internal

control components: control environment, risk assessment, control activities, information and communication, and monitoring.⁷⁸ In addition, the team reviewed the principles of internal controls as associated with the objective. The team identified four components and 11 principles as significant to the objective.⁷⁹ The team identified internal control weaknesses during this audit and proposed recommendations to address the following control deficiencies:

- Component 1: Control Environment
 - Principle 2: Exercises oversight responsibility
 - Principle 4: Demonstrates commitment to competence
- Component 3: Control Activities
 - Principle 10: Selects and develops control activities
- Component 5: Monitoring Activities
 - Principle 16: Conducts ongoing and/or separate evaluations
 - Principle 17: Evaluates issues and remediates deficiencies

Data Reliability

HR Smart is VA's human resources information system that supports position management, payroll, and personnel suitability. The team used HR Smart data to establish the universe of VBA and NCA employees who were initially hired during a two-year period ending December 31, 2022. To test for reliability, the team compared personnel action documentation extracted from employees' electronic personnel folders to confirm when individual employees were initially hired, whether they were initially assigned to VBA or NCA, and if they were still on board as of June 30, 2023. The team found that the data were sufficiently reliable and appropriate for sample selection only.

Instead of relying on HR Smart data, the team used documentation, such as personnel action files and certificates of investigation, to assess the timeliness of investigative actions for VBA and NCA employees. The team found that this documentation was sufficiently reliable to develop the findings, conclusions, and recommendations for this report.

Government Standards

The OIG conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that the OIG plan and perform the audit to obtain

⁷⁸ Government Accountability Office (GAO), *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014.

⁷⁹ Since the audit was limited to the internal control components and underlying principles identified, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on audit objectives. The OIG believes the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

Appendix C: Statistical Sampling Methodology

Approach

To accomplish the audit objectives, the VA Office of Inspector General (OIG) team reviewed a statistical sample of records for Veterans Benefits Administration (VBA) and National Cemetery Administration (NCA) employees who were initially hired during the previous two calendar years (the review period) and were still onboard as of June 30, 2023. The team used statistical sampling to quantify compliance with the timeliness of investigation actions against requirements and to determine whether the investigation actions were reliably recorded.

Population

The review population contained 3,961 unique records of VBA and NCA employees who were initially hired from January 1, 2021, through December 31, 2022, and were still onboard as of June 30, 2023.

Sampling Design

The population was stratified by administration. The statistician used proportional allocation to select a statistical sample of 400 employee records from the review population. The statistician also provided 421 spare employee records to be used as replacements for any out-of-scope records.

The OIG team reviewed the sample records to determine if they were in scope. Sample records were deemed out of scope if employees (1) were no longer employed by the sampled administration on June 30, 2023; (2) had a background investigation initiated by an organization other than the sampled administration; (3) did not require a background investigation because a previous background investigation had been completed; or (4) were not initially hired by the selected administration. The team replaced 225 out-of-scope records with alternates, resulting in 625 total records reviewed. Table C.1 presents the stratified population and number of records reviewed by scope.

Table C.1. Sampled VBA and NCA Records Reviewed

Administration	Population	Records reviewed		
		In scope	Out of scope	Total
VBA	3,491	353	206	559
NCA	470	47	19	66
Total	3,961	400	225	625

Source: VA OIG statistician's selected population obtained from HR Smart and the team's analysis of sampled employee records.

Based on the 625 employee records reviewed, the team estimated 2,205 VBA and 335 NCA employees were within the scope of this audit. Table C.2 shows the estimated number of in-scope and out-of-scope VBA and NCA employees in the audit population.

Table C.2. Estimated In-Scope VBA and NCA Employees

Administration	Result	Estimate number	90 percent confidence interval			Sample size
			Margin of error	Lower limit	Upper limit	
VBA	In scope	2,205 (63%)	108 (3%)	2,097 (60%)	2,312 (66%)	353
	Out of scope	1,286 (37%)	108 (3%)	1,179 (34%)	1,394 (40%)	206
	Total	3,491 (100%)				559
NCA	In scope	335 (71%)	41 (9%)	294 (63%)	376 (80%)	47
	Out of scope	135 (29%)	41 (9%)	94 (20%)	176 (37%)	19
	Total	470 (100%)				66

Source: VA OIG statistician's projection of the number of in-scope and out-of-scope VBA and NCA employees, based on the team's sample data analysis.

Note: Numbers in table may not sum due to rounding.

Weights

Samples were weighted to represent the population from which they were drawn, and the weights were used in the estimate calculations. For example, the team calculated the error rate estimates by first summing the sampling weights for all sample records that contained the given error, then dividing that value by the sum of the weights for all sample records.

Projections and Margins of Error

The projection is an estimate of the population value based on the sample. The associated margin of error and confidence interval show the precision of the estimate. If the OIG repeated this audit with multiple sets of samples, the confidence intervals would differ for each sample but would include the true population value approximately 90 percent of the time.

The OIG statistician employed statistical analysis software to calculate estimates, margins of error, and confidence intervals that account for the complexity of the sample design.

The sample size was determined after reviewing the expected precision of the projections based on the sample size, potential error rate, and logistical concerns of the sample review. While precision improves with larger samples, the rate of improvement decreases significantly as more records are added to the sample review.

Figure C.1 shows the effect of progressively larger sample sizes on the margin of error.

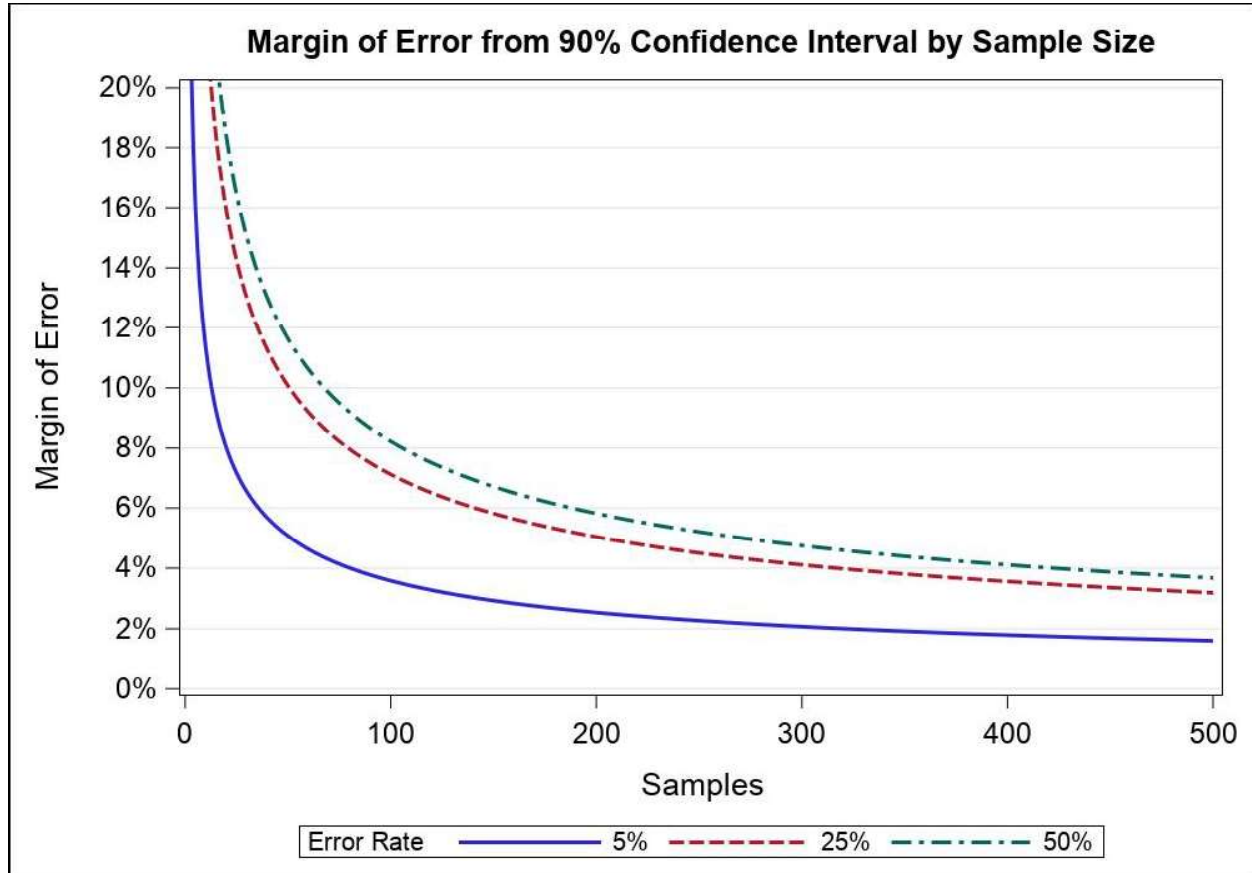


Figure C.1. Effect of sample size on margin of error.

Source: VA OIG statistician's analysis.

Projections

Tables C.3 and C.4 detail the team's statistical estimates.

Table C.3. Summary of Estimates for Investigative Actions for VBA

Estimate name	Estimate number	90 percent confidence interval			Sample count
		Margin of error	Lower limit	Upper limit	
Total in-scope records	2,205 (63%)	108 (3%)	2,097 (60%)	2,312 (66%)	353

Estimate name	Estimate number	90 percent confidence interval			Sample count
		Margin of error	Lower limit	Upper limit	
Investigations not initiated on time	44 (2%)	25 (1%)	19 (1%)	69 (3%)	7
Investigations initiated on time	2,130 (98%)	109 (1%)	2,021 (97%)	2,238 (99%)	341
Investigations automatically adjudicated by DCSA	406 (19%)	72 (3%)	334 (16%)	477 (22%)	65
Investigations not adjudicated by DCSA	1,767 (81%)	112 (3%)	1,656 (78%)	1,879 (84%)	283
Investigations adjudicated late	1,262 (71%)	107 (4%)	1,154 (67%)	1,369 (75%)	202
Investigations adjudicated on time	506 (29%)	79 (4%)	427 (25%)	584 (33%)	81
Investigations adjudicated after review period	687 (32%)	89 (4%)	598 (28%)	776 (35%)	110
Investigations adjudicated during review period	1,486 (68%)	110 (4%)	1,376 (65%)	1,597 (72%)	238
Certificates not in personnel folder	999 (67%)	101 (5%)	898 (63%)	1,100 (72%)	160
Certificates in personnel folder	487 (33%)	77 (5%)	410 (28%)	564 (37%)	78
HR Smart errors	1,418 (95%)	110 (2%)	1,308 (93%)	1,527 (97%)	227
VA-CABS adjudication date matched	1,455 (98%)	110 (1%)	1,345 (96%)	1,565 (99%)	233

Source: VA OIG analysis of statistically sampled VBA employee records in HR Smart from January 1, 2021, through December 31, 2022.

Note: The percentages only include records that could be evaluated for a given category. Figures may not sum due to rounding.

Table C.4. Summary of Estimates for Investigative Actions for NCA

Estimate name	Estimate number	90 percent confidence interval			Sample count
		Margin of error	Lower limit	Upper limit	
Total in-scope records	335 (71%)	41 (9%)	294 (63%)	376 (80%)	47
Investigations not initiated on time	192 (57%)	44 (11%)	148 (46%)	237 (69%)	27
Investigations initiated on time	142 (43%)	41 (11%)	101 (31%)	184 (54%)	20
Investigations automatically adjudicated by DCSA	64 (19%)	31 (9%)	33 (10%)	95 (28%)	9
Investigations not adjudicated by DCSA	271 (81%)	45 (9%)	226 (72%)	315 (90%)	38
Investigations adjudicated late	157 (58%)	43 (12%)	114 (45%)	199 (70%)	22
Investigations adjudicated on time	114 (42%)	39 (12%)	75 (30%)	153 (55%)	16
Investigations adjudicated after review period	57 (17%)	29 (9%)	28 (8%)	86 (26%)	8
Investigations adjudicated during review period	278 (83%)	44 (9%)	233 (74%)	322 (92%)	39
Certificates not in personnel folder	121 (44%)	39 (12%)	82 (31%)	160 (56%)	17
Certificates in personnel folder	157 (56%)	43 (12%)	114 (44%)	199 (69%)	22
HR Smart errors	278 (100%)	44 (0%)	233 (100%)	322 (100%)	39
VA-CABS adjudication date matched	271 (97%)	45 (3%)	226 (93%)	315 (100%)	38

Source: VA OIG analysis of statistically sampled NCA employee records in HR Smart from January 1, 2021, through December 31, 2022.

Note: The percentages only include records that could be evaluated for a given category. Figures may not sum due to rounding.

Appendix D: VA Management Comments, Under Secretary for Benefits

Department of Veterans Affairs Memorandum

Date: September 4, 2024

From: Under Secretary for Benefits (20)

Subj: Office of Inspector General (OIG) Draft Report - VBA's and NCA's Personnel Suitability Programs Need Improved Governance [Project No. 2023-02890-AE-0107] — [VIEWS 11943658]

To: Assistant Inspector General for Audits and Evaluations (52)

1. Thank you for the opportunity to review and comment on the OIG draft report: VBA's and NCA's Personnel Suitability Programs Need Improved Governance. The Veterans Benefits Administration (VBA) provides the attached response to the draft report.

<i>The OIG removed point of contact information prior to publication.</i>

(Original signed by)
Joshua Jacobs
Attachment

Attachment

Veterans Benefits Administration (VBA)
Comments on OIG Draft Report
VBA's and NCA's Personnel Suitability Programs Need Improved Governance

The following comments are submitted in response to the recommendations in the OIG draft report:

Recommendation 1: Execute the compliance plan for the Veterans Benefits Administration's personnel suitability program.

VBA Response: Concur. The Veterans Benefits Administration (VBA) has successfully implemented a comprehensive compliance plan for its personnel suitability program in Fiscal Year 2024. On January 11, 2024, the Personnel Security & Suitability (PSS) Division established a compliance team and published the VBA PSS Compliance Program Guide (see Attachment A), which is nested within the VA Personnel Vetting Compliance and Oversight Program.

Key actions include:

1. Bi-weekly reviews to ensure timely initiation of investigations for new hires within 14 days of entry on duty.
2. Bi-weekly quality reviews of adjudication decisions and verification of Certificate of Investigation filing.
3. Completed site reviews for Baltimore, Denver, Detroit, and Jackson Human Resources Center PSS teams (see Attachments B, C, D and E).

VBA requests closure of this recommendation.

Recommendation 2: Ensure the Veteran Benefits Administration's personnel suitability program oversight verifies background investigations are initiated and adjudicated within prescribed timelines and that documentation is filed as required.

VBA Response: Concur. The Veterans Benefits Administration (VBA) has implemented a robust oversight program to ensure timely initiation and adjudication of background investigations, as well as proper documentation filing. On January 11, 2024, the Personnel Security & Suitability Compliance Program Guide (see Attachment A) was published, providing a framework for ongoing oversight. This proactive approach has strengthened the personnel suitability program, ensuring adherence to prescribed timelines and documentation requirements. VBA remains committed to maintaining high standards in its hiring and vetting processes.

Key actions include:

1. Bi-weekly reviews to verify new hire investigations are initiated within 14 days of entry on duty (see Attachments F and G).
2. Bi-weekly quality checks on adjudication decisions and Certificate of Investigation (COI) filing.

VBA requests closure of this recommendation.

<p style="text-align: center;"><i>For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.</i></p>

Appendix E: VA Management Comments, Under Secretary for Memorial Affairs

Department of Veterans Affairs Memorandum

Date: August 8, 2024

From: Acting Under Secretary for Memorial Affairs (40)

Subj: Written Comments for Draft Report – Audit of VBA's and NCA's Personnel Suitability Programs
(Project #2023-02890-AE-0107)

To: Assistant Inspector General for Audits and Evaluations (52)

1. National Cemetery Administration (NCA) reviewed the draft report prepared by the Office of the Inspector General (OIG) regarding the audit of Veterans Benefits Administration and NCA personnel suitability programs dated June 27, 2024, and provides the following as a response to the two recommendations that were applicable to NCA.

2. First, the OIG recommended that NCA establish a plan to ensure robust oversight of NCA's personnel suitability program that includes verifying background investigations are initiated and adjudicated within prescribed timelines and that documentation is filed as required. In April 2023, NCA began officially tracking the average days to adjudicate fingerprint results. In January 2024, NCA expanded this tracking to include average days to initiate electronic background investigations on new employees and average days to adjudicate completed background investigations. In July 2024, NCA added a fourth metric, filing of certificates of investigation (COI) within employee electronic personnel folders. With the addition of this fourth metric, NCA now measures the performance of the full scope of its personnel suitability program. As of June 30, 2024, NCA has produced the following results:

- Adjudication of fingerprint results is averaging 4 days (VA standard is 5 days).
- Initiation of electronic background investigations on new employees is averaging 2 days (VA standard is 14 days).
- Adjudication of completed background investigations is averaging 22.7 days (VA standard is 90 days). Also in this time, over 300 backlogged adjudications have been completed with 259 left to be adjudicated.
- All backlogged COI's have been filed in employee electronic personnel folders and filing is now completed at the end of each month to avoid delay.

3. The OIG's second recommendation to NCA was to evaluate resource requirements for the personnel suitability program to ensure that all personnel suitability requirements are being met. NCA has evaluated the resource requirements for the Personnel Security function. In January 2024, NCA backfilled a vacancy within the Personnel Security Section, which also aided in ensuring compliance with VA standards moving forward. The office is now fully staffed with three Personnel Security Specialists.

4. I appreciate the opportunity to provide comments on behalf of NCA.

The OIG removed point of contact information prior to publication.

(Original signed by)
Ronald E. Walters

Attachment

Attachment

NATIONAL CEMETERY ADMINISTRATION (NCA)

Action Plan

OIG Draft Report: Audit of VBA's and NCA's Personnel Suitability Programs

Date of Draft Report: July 9, 2024

Recommendations/	Status	Completion Date
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Actions

Recommendation 3: Establish a plan to ensure robust oversight of the National Cemetery Administration's personnel suitability program that includes verifying background investigations are initiated and adjusted within prescribed timelines and that documentation is filed as required.

Recommendation 4: Evaluate resource requirements for the personnel suitability program to ensure that all personnel suitability requirements are being met.

NCA Comments: Concur with both recommendations.

Since the release of the OIG's draft report, NCA has executed a plan to ensure robust oversight of the National Cemetery Administration's personnel suitability program. NCA will evaluate resource requirements for the personnel suitability program on an on-going basis and submit requests through the annual budget formulation process when indicated to ensure that all personnel suitability requirements are being met.

Status: Completed

Target Completion Date: July 17, 2024

<p><i>For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.</i></p>

OIG Contact and Staff Acknowledgments

Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
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Audit Team	Shawn Steele, Director Cherelle Claiborne Michael Derick Mary Dickerson Brendon Gregoire Justin Kerly Kristin Nichols Angela Sanders Noak Smith Aaron Weinberg
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Other Contributors	Laurence Adair Victoria Eatherton Juliana Figueiredo Jill Russell
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