



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

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MEMORANDUM FOR: Ward Green  
Chairman, Investigative Standards Working Group

FROM: Vaughn V. Holcombe, Jr., Assistant Director of  
Personnel (Personnel Security) - Treasury Member

SUBJECT: Personnel Security Standards for Access to Intelligence

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After reviewing your draft paper on Personnel Security Standards for Access to Intelligence, I would like to take this opportunity to point out some facts about the personnel security program in this Department.

We have five bureaus with investigative staffs: IRS, Customs, Secret Service, ATF and Engraving and Printing. Investigative services are provided by each of these bureaus for their own personnel. In addition, IRS provides investigative services for those Treasury bureaus without investigative staffs with the exception of the Office of the Secretary (OS). The Secret Service conducts investigations for OS personnel.

The personnel security program in Treasury is decentralized. Each bureau has a personnel security officer. My office has oversight responsibility for the program and we also promulgate Departmental regulations and other instructional and policy issuances. I am attaching the delegation order so you can see the extent of the decentralization. Also, attached are our manual chapters regarding the conduct of personnel security investigations (736) and on the overall personnel security program (732).

Generally, we follow the standards set by the Office of Personnel Management in conducting background investigations on applicants for and occupants of critical-sensitive positions which is basically five-year coverage with certain exceptions. The Secret Service routinely do a fifteen year period of coverage on all their people. The Customs Service do background investigations on applicants for certain public contact positions, such as Customs Inspectors, regardless of the sensitivity of the positions. Different bureaus emphasize different aspects of an investigation due to the various missions. I'm sure you can appreciate why the Engraving and Printing people are so concerned with honesty and they very carefully conduct police checks in areas where the applicant has worked, resided, etc.

Many Treasury employees who have had background investigations never have a security clearance because there is no "need-to-know". Security clearances are issued pursuant to Executive Order 12065 and waivers are kept to an absolute minimum.

In SCI cases, to my knowledge, a waiver of investigative coverage has never been granted by the SIO. Of course, we have a relatively small number of employees with SCI access. We have the authority to use the polygraph in cases involving SCI access on a very limited scale as you can see in Chapter 736, Subchapter VII. We were the first agency with primarily competitive service employees to receive OPM's concurrence to use the polygraph in personnel security cases. The Treasury SECOM representative voted for the use of the polygraph in SCI screening and we received the unofficial concurrence of the Deputy Secretary prior to that vote.

I'm looking forward to participating in the work of the Personnel Security Subcommittee. Thanks for this opportunity to let you know a little of what we are doing at Treasury in the personnel security area.

Attachments