

Defense Finance and Accounting Service (DFAS) is the world's largest finance and accounting organization with over a billion dollars in disbursements a day. DFAS provides the financial and accounting services for the Department of Defense (DoD): Army, Navy, Air Force, Marine Corps and other Defense agencies. Because of the sensitive nature of DFAS' work, civilian employees must undergo a background investigation and favorable review.

All DFAS civilian employees assigned to a National Security Sensitive position are required to undergo a background investigation. The ANACI (Access National Agency Check with Written Inquiries + Credit Check) background check is the lowest level of investigation that meets the requirements for an individual to occupy a Sensitive position within the DoD.

The ANACI background check is conducted by the Office of Personnel Management (OPM), Investigations Services.

The ANACI background check consists of:

- National Agency Check (NAC). Standard NACs are a check of the:
 - Security/Suitability Investigations Index (SII)
 - Defense Central Index of Investigations (DCII)
 - FBI Name Check
 - FBI National Criminal History Fingerprint Check
 - Selective Service Check (Males born after 12/31/1959)

- Written inquiries with coverage of the following:
 - Employment, 5 years
 - Education, 5 years and highest degree verified
 - Residence, 3 years
 - References
 - Law Enforcement, 5 years
 - Military Record/Coast Guard/National Guard repositories
 - Credit Bureau Report
 - Issue coverage (Issues that are apparent or developed in the course of investigative fieldwork may be expanded upon)
 - SPINs (Special Interviews) are conducted on ANACI investigation submitted by DoD when certain criteria are present

Upon completion of the ANACI background investigation applicants and employees undergo suitability and security reviews.

As defined in 5 CFR 731, civilian employees and applicants must undergo a suitability determination for Federal employment. Persons denied or removed from service as "unsuitable" have been determined to not protect the integrity or promote the integrity and efficiency of the Federal service.

The following criteria may be considered as a basis for finding an individual unsuitable for service:

- Misconduct or negligence in employment
- Criminal or dishonest conduct
- Material, intentional false statement or deception for fraud in examination or appointment
- Refusal to furnish testimony as required
- Alcohol abuse of a nature and duration which suggests that the applicant or appointee would be prevented from performing the duties of the position in question, or would constitute a direct threat to the property or safety of others
- Illegal use of narcotics, drugs, or other controlled substances, without evidence or substantial rehabilitation
- Knowing and willful engagement in acts or activities designed to overthrow the U.S. Government by force
- Any statutory or regulatory bar which prevents lawful employment of the person involved in the position in question

The following are used as considerations to the extent they deem pertinent to the individual case when making a suitability determination:

- The nature of the position for which the person is applying or in which the person is employed
- The nature and seriousness of the conduct
- The circumstances surrounding the conduct
- The recency of the conduct
- The age of the person involved at the time of the conduct
- Contributing societal conditions
- The absence or presence of rehabilitation or efforts toward rehabilitation

Upon a favorable suitability determination, an applicant or employee will undergo a security adjudication. A security adjudication is an overall common sense judgment of an individual's loyalty, trustworthiness, and honesty using the "whole-person" concept by carefully weighing a number of variables about the person, past and present, favorable and unfavorable, to reach a determination. Any doubt about an individual's loyalty,

trustworthiness, and honesty will be resolved in the favor of National Security.

The security determination is made using the "[Adjudicative Guidelines for Determining Eligibility for Access to Classified Information](#)", which were approved by the President on December 29, 2005. In application with Under Secretary of Defense (Intelligence) memorandum issued on August 30, 2006, the Adjudicative Guidelines issued on December 29, 2005 will be used for all adjudicative and other determinations made under DoD Personnel Security Program, DoD Regulation 5200.2-R, effective September 1, 2006. In application with this memorandum, all National Security adjudications to occupy a National Security Sensitive position will use the guidelines issued by the President on December 29, 2005.

The adjudicative guidelines are:

- Allegiance to the United States
- Foreign Influence
- Foreign Preference
- Sexual Behavior
- Personal Conduct
- Financial Considerations
- Alcohol Consumption
- Drug Involvement
- Psychological Conditions
- Criminal Conduct
- Handling Protected Information
- Outside Activities
- Use of Information Technology

When adjudicating a security concern, the following factors are considered:

- the nature, extent, and seriousness of the conduct
- the circumstances surrounding the conduct, to include knowledgeable participation
- frequency and recency of the conduct
- the individual's age and maturity at the time of the conduct
- the extent to which participation is voluntary
- the presence or absence of rehabilitation and other permanent behavioral changes
- the motivation of the conduct
- the potential for pressure, coercion, exploitation, or duress
- the likelihood of continuation or recurrence

Security adjudications for civilian employees and applicants are not conducted by DFAS. The Department of Defense, Consolidated Adjudications Facility (DOD CAF) is the adjudicative authority responsible for rendering security adjudications for the Defense Agencies and Components (less the Intelligence Agencies), to include DFAS.

If security concerns are serious enough to warrant the denial/revocation of a favorable security determination, employees and applicants will be issued a written letter, known as a Statement of Reasons (SOR). The SOR will describe in detail the reasons the adjudicative authority is proposing to deny/revoke a favorable security determination. The applicant or employee will be afforded administrative due process. Individuals will have the opportunity to respond in writing to the SOR and provide mitigating evidence prior to DOD CAF making their final security determination.

If DOD CAF renders an unfavorable security determination, the applicant or employee will be issued a Letter of Denial/Revocation (LOD/LOR). Upon receipt of the LOD/LOR, the applicant or employee has the opportunity to appeal the unfavorable security determination from DOD CAF. If an applicant chooses not to appeal the decision, they will no longer be considered for employment in a Sensitive position with the DFAS. If an employee chooses not to appeal the decision, DFAS will have to remove the employee from a Sensitive position.

If an employee or applicant chooses to appeal the unfavorable determination by DOD CAF, they have two options. The first option is that they can appeal the decision in writing to the Washington Headquarters Services, Clearance Appeal Board (WHS CAB). The second option is that they can make a personal appearance before a DoD, Defense Office of Hearings and Appeals (DOHA), Administrative Judge (AJ) and plead their case. Upon conclusion of the personal appearance, the DOHA AJ will make a non-binding, written recommendation to the DOD CAB.

The WHS CAB can sustain or overturn the unfavorable determination by DOD CAF. If WHS CAB sustains the unfavorable determination the employee will have to be removed from a Sensitive position with DFAS; or if an applicant, the individual will no longer be considered for employment in a Sensitive position with DFAS. If WHS CAB overturns the unfavorable determination the employee will be permitted to continue occupancy in a Sensitive position; or if an applicant, they will be eligible for employment in a Sensitive position with DFAS. All decisions by WHS CAB are final and cannot be appealed. A determination by WHS CAB exhausts an

employee/applicant's administrative due process under DoD Regulation and Presidential Executive Order.

A security determination is an effort to assess the future trustworthiness of an individual in terms of the likelihood-of the individual preserving the National Security. Obviously, it is not possible at a given point to establish with certainty that any employee will remain trustworthy. Accordingly, the issuance of a favorable security determination cannot be considered a final determination. Employees retained in Sensitive positions are subject to a continuing assessment of their security eligibility. Should adverse information arise that calls into question an employee's eligibility to remain in a Sensitive position, the employee will be subject to a new security determination.