




AUG 28 2009

GSA Acquisition Letter V-09-08

MEMORANDUM FOR ALL GSA CONTRACTING ACTIVITIES

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AND SENIOR PROCUREMENT EXECUTIVE

SUBJECT: Personal Identity Verification and Credentialing  
for Contractors

1. **Purpose:**

The purpose of this Acquisition Letter is to ensure compliance by GSA acquisition officials with the implementation of Homeland Security Presidential Directive 12 (HSPD-12) for contractors, including the application of travel costs for contractor credentialing.

2. **Background:**

HSPD-12 requires all Federal Executive departments and agencies to conduct personnel investigations, adjudicate the results, and issue Personal Identity Verification (PIV) credentials (also referred to as HSPD-12 cards) to all Federal employees and contractors who require routine access to their building facilities for more than six months (180 days) and/or for access to government information technology (IT) systems.

3. **Policy:**

A. **Building Facilities – Physical Access**

- Routine access to GSA-controlled facilities is defined as regularly scheduled access. For example, a contractor who reports to the facility on a regular basis in the performance of ongoing responsibilities has routine access and a personnel investigation must be conducted. A contractor who is summoned for an emergency service call is not required to have a personnel investigation and is treated as a visitor. GSA contractor employees who require regularly scheduled access to one or more GSA-controlled facilities, even under multiple contracts, should be treated as having routine access to GSA facilities.

- Routine access to GSA-controlled information systems is defined as unescorted access to GSA information systems that requires a minimum of a National Agency Check with Written Inquiries (NACI) background investigation. Escorted access to GSA-controlled information systems does not require a background investigation and is not routine access. For example, a one-time emergency service repair to a GSA-controlled application by a contractor who does not have a NACI background investigation or higher would not be considered routine IT access.
- A GSA-controlled facility is defined as an occupied building housing Federal operations under space assignment by GSA. A GSA-controlled facility is leased or owned by GSA and may be “partially occupied” or “fully occupied” by Federal agencies.
- All GSA contractors who need routine access to GSA-controlled facilities must follow these policies and procedures when construction of the space has been completed and accepted by the government. The following are exceptions:
  1. The facility is under construction prior to occupancy and is not considered to be “substantially complete.”
  2. The facility is involved in a repair and alteration (R&A) project where the work areas are partitioned and/or fully separated from occupied areas, with isolated access for construction contractors and other workers.
  3. Leased facilities that are Facility Security Level (FSL) or Building Security Level (BSL) I, II, or non-solely government occupied level III facilities.
- All GSA lease contractor employees who require routine access for more than six (6) months to a GSA-controlled leased facility that is any one of the following Department of Justice (DOJ) risk level facilities are required to receive a PIV card:
  - Department of Justice (DOJ) risk level IV facility
  - DOJ level III facility solely occupied by the Federal Government
  - DOJ level I, II, or III facility with a GSA child care center on site
- GSA contractors do not need personnel investigations and credentials apart from those referenced by this issuance to work in any GSA-controlled facility except where required by a tenant agency. If a tenant agency has personnel investigation requirements in addition to those provided by GSA, the funding for these investigations will be borne by the requesting agency.

## **B. Information Technology (IT) Systems – Access**

- Access to GSA information systems and networks is granted in two phases: initial and full.

- “Initial” access for employees and contractors typically includes access to a workstation, e-mail, the Internet, and low-impact systems needed for their work.
- “Full” access typically includes access to any moderate or high-impact systems needed for the individual’s work that had been excluded from their initial access.
- Initial and full access shall be defined by the authorizing official (i.e., Designated Approving Authority (DAA)) commensurate with the individual’s job function and the risk and magnitude of harm that can be done.

### C. General

- The maximum expiration date for a GSA Personal Identity Verification (PIV) card is five (5) years from the date of issuance.
- GSA will not require a new personnel security investigation for previously cleared employees of new contractors, provided:
  - The individual has undergone the same level or higher investigation than the one required for the new contract.
  - The investigation was completed and the adjudication results were favorable.
  - It has been less than two (2) years since the contractor employee last had routine access to GSA with the same level or higher investigation.
- Requirements for GSA contractors differ according to whether the contractor employees tenure is expected to be long-term or temporary.
- Long-term contractor employees are those employed for more than six (6) months. All long-term contractor employees requiring routine access to GSA facilities and/or IT systems must have a personnel investigation appropriate for their job responsibilities in order to be issued a PIV card. The agency must initiate a minimum of a National Agency Check with Written Inquiries (NACI) and must have received favorable results on the Federal Bureau of Investigation (FBI) fingerprint check before access to GSA facilities is granted and a PIV card is issued. During this time, the contractor will be permitted access to GSA facilities and commence work while the PIV card is in the process of being issued and the final adjudication results are still pending.
- Temporary contractor employees are those employed for six (6) months or less. Generally, temporary contractor employees (those working for six (6) months or less) do not receive a GSA PIV card unless they require access to GSA IT systems. Temporary contractor employees needing issuance of a GSA PIV card

and/or access to IT systems must abide by the same personnel investigation requirements as those for long-term contractors.

- Contractors with legacy non-PIV cards will need to replace their cards with PIV cards if they will require long-term access, even if the legacy non-PIV card has not yet expired. Temporary contractors need not do so.

#### **D. Contractor employees who are not US Citizens**

- As established by the Office of Personnel Management (OPM) final guidance on their credentialing standards in memorandum "Final Credentialing Standards for Issuing Personal Identity Verification Cards Under HSPD-12" issued on July 31, 2008, GSA will not request background investigations for non-US citizens who have not been a US resident for three consecutive years. Instead, GSA will request the following checks to receive initial access or an enter on duty determination:
  - FBI Fingerprint and Name Check
  - National Crime Information Center (NCIC)/Interstate Identification Index (III)/National Law Enforcement Telecommunications System (NLETS)/Wanted Person Check
  - Citizen and Immigration Services Check (CIS)/e-Verify
- Non-US citizens who do not meet the three-year resident requirement and receive a favorable result on the required checks for initial access or entry of duty (enter on duty) determination will receive a PIV card.
- When a non-US citizen who previously did not meet the three-year resident requirement meets that requirement, the written inquiries portion of the NACI is required to be performed and a final determination decision made.

#### **E. Child Care Workers**

- The GSA Child Care Division, Office of Tenant Services, Office of Facilities Management and Services Programs, has worked with the Department of Homeland Security, Federal Protective Service (FPS) to ensure that all child care workers in Federal work places have gone through the security check process mandated by the Crime Control Act. However, the criminal history check is not the equivalent of the FIPS 201-mandated minimum NACI because it lacks the written inquiries component. Therefore, child care workers are not eligible for PIV credentials.
- Child care workers in Federal workplaces will receive facility access cards (FAC) to enable access to local facilities. The facility access cards will be compatible with, but both physically and electronically distinct from, the PIV card. GSA is currently developing the plan to issue facility access cards to child care workers and other personnel groups.

4. **Effective Date:** Immediately.

5. **Termination Date:** This Acquisition Letter remains in effect for one year, or until incorporated in the General Services Acquisition Manual (GSAM), whichever comes first.

6. **Applicability:**

This policy applies to all acquisition officials to include contracting officers, program managers, technical representatives, information technology officers, and other stakeholders involved in GSA HSPD-12 Personal Identity Verification and Credentialing. The requirements established by this acquisition letter shall apply to all new acquisitions as well as those previously awarded. This acquisition letter applies only to those awards made where performance occurs in or around a GSA facility. For those awards that GSA makes on behalf of other agencies and performance will occur at those other agencies, the PIV and credentialing guidelines of those agencies will take precedence.

7. **References to regulations (FAR or GSAR), handbooks, or orders:**

- FAR 52.204-9 Personal Identity Verification Of Contractor Personnel (Sept 2007)
- GSAR 552.237-71 Qualifications Of Employees (May 1989)
- Federal Travel Regulation: Chapter 301-Temporary Duty (TDY) Travel Allowances: Subchapter B-Allowable Travel Expenses; Privately Owned Vehicle (POV) Mileage Reimbursement Rates
- GSA Order CIO P 2181.1 (GSA HSPD-12 Personal Identity Verification and Credentialing Handbook) dated October 20, 2008, covers the GSA requirements and procedures for personnel investigations, credentialing requests, and the issuance of PIV cards.  
<http://insite.gsa.gov/hspd12implementation>
- The GSA Order CIO P 2181.1 (GSA HSPD-12 Personal Identity Verification and Credentialing Handbook) dated October 20, 2008, supersedes GSA HSPD-12 Personal Identity Verification – I (PIV-I) Standard Operating Procedure (SOP), June 7, 2007, Version 2.1.

## 8. Instructions/Procedures

### a. PIV Card: Credentialing GSA Contractors.

The PIV card requesting official is responsible for determining whether a contractor meets the criteria for requiring a PIV card. The PIV card requesting official makes all personnel investigation and credentialing requests for all contractors on contracts they are designated to support. The requesting official must be specifically designated to act in this capacity in writing by the Contracting Officer (CO) for each contract and be provided training on handling Personally Identifiable Information (PII). The required training is GSA's Privacy Training 101 available on GSA On-Line University. Often the requesting official is the COTR or Contracting Officer's Representative (COR) for the contract, but this role may be fulfilled by a project manager, building manager, or local HSPD-12 POC, as appropriate. By issuance of this Acquisition Letter, the requesting officials are provided the following acquisition cost guidance in support of credentialing GSA contractors.

- The CO, COTR, project manager, or other requesting official responsible for making determinations regarding whether a contractor is a long-term contractor or a temporary contractor.
- The CO, COTR, project manager, or other requesting official responsible for monitoring the duration of projects, and should a temporary contractor later become a long-term contractor requiring routine access for more than 6 months, the temporary contractor must be required to submit the personnel investigation documentation required of long-term contractors.

### b. PIV Card: Contractor's travel costs.

This language may be used in solicitations and contracts to address special contract requirements for all long-term contractors who require a PIV card.

Contractor personnel who require routine access to GSA-controlled facilities for more than six months and/or access to government information technology (IT) systems must receive a favorable HSPD-12 security background investigation.

The following information is provided to assist the contractor in estimating the costs associated with this requirement. The contractor will be expected to utilize the nearest credentialing site to their offices or place of contract performance. The credentialing station may be a mobile station in the area or credentialing stations may be located through the following: <http://www.fedidcard.gov/centerlocator.aspx>. Credentialing centers that are listed as "Open to all Agency personnel" means that they are open to

personnel from any GSA Managed Service Office (MSO) customer agency including GSA contractors. Credentialing centers that are listed as "For use by personnel from this Agency only" means that they are only open to personnel of the agency that is hosting that credentialing center.

Currently a minimum of two visits to a credentialing center are required to enroll and activate the card once received. Travel distance to a credentialing center will vary based on availability of enrollment and activation stations. If there is a problem activating the PIV card, one additional visit to the credentialing center may be required. Additional visits to a credentialing center may also be required if the card holder needs to: renew a PIV card that has expired or will expire within 60 days; have new certificates downloaded to the PIV card because the current certificates on the card have expired or will expire within 60 days; or replace a lost, stolen, or damaged PIV card. Each visit to a credentialing center is scheduled for 15 minutes. Filling out the form for a NACI clearance takes about 4 hours on average. Individual contractor employee involvement in processing, getting questions answered, fingerprints, etc. takes another 3 hours on average. Times may vary depending on individual circumstances and the level of clearance required.

#### Option 1

If an HSPD-12 credential is required, the contractor is responsible for all travel and labor costs associated with fingerprinting to meet background investigation requirements and PIV Card enrollment and activation to meet HSPD-12 requirements. Travel costs are comprised of mileage, vehicle rental or other modes of transportation, per diem, and lodging.

#### Option 2

If an HSPD-12 credential is required, the contracting officer (CO) negotiates a fixed unit price per individual to be cleared under a contract and GSA will pay that amount for each individual requiring clearance. This applies to labor and travel costs associated with fingerprinting to meet background investigation requirements and PIV Card enrollment and activation to meet HSPD-12 requirements. Travel costs are comprised of mileage, vehicle rental or other modes of transportation, per diem, and lodging. The CO has to do a cost estimate based on the longest distance a contractor would possibly have to travel and maximum time, using the terms of the Federal Travel Regulation as a means for determining reasonable cost for credentialing. Other terms and conditions could be added to clarify the process.

These costs are considered reasonable to the extent that they do not exceed on a daily basis the maximum rates in effect at the time of travel as set forth in the Federal Travel Regulation:

## CHAPTER 301—TEMPORARY DUTY (TDY) TRAVEL ALLOWANCES

[www.gsa.gov/fttr](http://www.gsa.gov/fttr)

On left of screen click on Chapter 301, Temp Duty (TDY) Allowances, and scroll through Table of Contents to click your subject matter.

Privately Owned Vehicle (POV) Mileage Reimbursement Rates

[www.gsa.gov/travelpolicy](http://www.gsa.gov/travelpolicy)

On left of screen, click on POV Mileage Reimbursement Rates

As suggested guidance, the contracting officer may allow only the difference between the normal commute and the travel distance to the credentialing center as a reimbursable expense.

As another suggested guidance, the contracting officer may establish a minimum travel distance before allowing a reimbursable expense. For example, if a minimum of 25 miles is established and a credentialing center is 35 miles from the normal duty station then 10 miles would be allowed as a reimbursable expense.

### **c. GSA Background investigation costs.**

GSA background investigation cost information is included in **Attachment 1**. This information is provided for reference only. It is not to be included as clauses in solicitations and contracts. Attachment 1 also contains travel costs information associated with HSPD-12.

### **d. Contract clauses.**

The contracting officer shall include FAR clause 52.204-9 and GSAR clause 552.237-71 in solicitations and contracts, as applicable.

### **e. Special Contract Requirements.**

The contracting officer shall include the language in **Attachment 2**, as part of Section H, Special contract requirements, of the solicitation and contract.



## Attachment 1

This information is provided for reference only. It is not to be included as clauses in solicitations and contracts.

### GSA Background Investigation Costs

For reference, these are the FY09 pricing fees from OPM that GSA pays for contractor background investigations.

#### Minimum requirement for a background investigation for HSPD-12:

The cost of the National Agency Check with Written Inquiries (NACI) is \$355.86 (including the FPS administrative surcharge). This is inclusive of the FBI fingerprint check.

#### Moderate Risk Level:

Minimum Background Investigation (MBI), is \$922.59 (including the FPS administrative surcharge). This also includes the FBI fingerprint check.

#### Foreign Nationals residing within the United States for less than three years:

Law Enforcement Checks (NCIC, NLETS, and Wanted Persons) is \$4.00. This is not inclusive of fingerprints; which is \$17.25. These costs will be passed through to GSA without any surcharge.

However, upon completion of three years, the contractor is subject to a NACI and the submission of a new set of fingerprints along with an SF-85P.

### Travel Costs

Contracting Officers need to prepare a cost estimate for the number of contractors employed on a current contract or future contract to request funds to support the HSPD-12 credentialing travel requirements. The following information is provided to assist the contracting officer in estimating the costs associated with this requirement.

Travel costs associated with HSPD-12 are reimbursable as they are incurred by the contractor on official business to meet the requirement of FAR Clause 52.204-9. These costs are considered reasonable to the extent that they do not exceed on a daily basis the maximum rates in effect at the time of travel as set forth in the Federal Travel Regulation:

CHAPTER 301—TEMPORARY DUTY (TDY) TRAVEL ALLOWANCES  
[www.gsa.gov/fttr](http://www.gsa.gov/fttr)

On left of screen click on Chapter 301, Temp Duty (TDY) Allowances, and scroll through Table of Contents to click your subject matter.

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The contractor will be expected to utilize the nearest credentialing site to their offices or place of contract performance. The credentialing station may be a mobile station in the area or credentialing stations may be located through the following: <http://www.fedidcard.gov/centerlocator.aspx>. Credentialing centers that are listed as "Open to all Agency personnel" means that they are open to personnel from any GSA Managed Service Office (MSO) customer agency including GSA contractors. Credentialing centers that are listed as "For use by personnel from this Agency only" means that they are only open to personnel of the agency that is hosting that credentialing center.

The contractor must submit the travel vouchers or invoice in accordance with the normal payment schedule set forth in the original contract. The following information is required by the contractor to document costs:

- Contractor Name and Contract Number
- Name of the person on the trip and that person's title or relationship to the contractor
- Purpose of the Trip
- Departure To Credentialing Station: Date, time and place ( City, Town, State)

- Arrival at Credentialing Station: Date, time, place ( City, Town, State)
- Departure from Credentialing Station: Date, time and place ( City, Town, State)
- Arrival at Home Station: Date, time, place ( City, Town, State)
- Mode of travel
- Mileage
- Other expenses and incidentals

## Attachment 2

### COMPLIANCE WITH SECURITY REQUIREMENTS

(a) The Contractor shall comply with all GSA and tenant agency security requirements in the building(s) where work is being performed.

(b) When a Physical Access Control system is used by a tenant agency at a site where work is performed, the tenant agency will be responsible for providing any required access credentials. Credentials shall be displayed at all times or as otherwise required by the tenant agency.

### IDENTIFICATION CREDENTIAL

(a) When GSA initiates a minimum of a National Agency Check with Written Inquiries (NACI) and receives a favorable initial suitability determination, the contractor shall be issued a Personal Identity Verification (PIV) credential permitting regular access to the building(s) where work is being performed and regular access to IT systems as authorized.

(b) Regular or Temporary Employees with credentials shall be required to comply with all applicable access security screening procedures applicable to Government or other personnel possessing similar credentials.

(c) All Contractor or subcontractor employees possessing credentials shall visibly display their credentials at all times while in the building(s) where work is being performed.

(d) The Contractor shall be responsible for ensuring that all identification credentials are returned to the Government when a particular Contractor or subcontractor employee will no longer be providing service under the Contract at the building(s) covered by the credential.

(e) The Contractor shall notify the Government when credentials are lost. If the Contractor is determined to be negligent, the Contractor shall be responsible for reimbursing the Government for its cost in issuing a replacement credential.

### STANDARDS OF CONDUCT

The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, appearance, and integrity and shall be responsible for taking such disciplinary action with respect to its employees as may be necessary.

**REMOVAL FROM CONTRACT WORK**

(a) As provided in the GSAR clause at 552.237-71, entitled "Qualifications of Employees", the contracting officer or a designated representative may require the Contractor to remove any employee(s) from GSA controlled buildings or other real property under Government control, should it be determined that the individual(s) is either unsuitable for security reasons or otherwise unfit to work on GSA controlled property. This shall include, but not be limited to, instances where an employee is determined, in the Government's sole discretion, to be incompetent, careless, insubordinate, unsuitable or otherwise objectionable.

(b) A contractor employee may also be removed where the continued employment of the contractor employee in connection with the Government work is deemed, in the Government's sole discretion, contrary to the public interest, inconsistent with the best interests of security, or a potential threat to the health, safety, security, general well being or operational mission of the facility and its population.

(c) Where a contractor employee is granted a preliminary suitability determination, and an unfavorable final suitability determination is later rendered, the Government may insist on the contractor employee's removal from the work site and from other work in connection with the Contract.

(d) The Contractor shall be responsible for providing replacement employees in cases where contract employees are removed at no additional cost to the Government.

**SENSITIVE BUT UNCLASSIFIED (SBU) BUILDING INFORMATION**

Dissemination of sensitive but unclassified paper and electronic building information shall be made on a "need to know" basis.

**SUITABILITY DETERMINATIONS**

(a) All contract employees requiring routine unescorted access to Federally-controlled facilities and/or information systems for more than 6 months (Regular Employees) will be required to undergo a suitability determination before a facility identification card is issued. Upon receipt of a favorable pre-employment check and prior to the time that a favorable suitability determination is completed, such Regular Employees will be required to comply with normal facility access control procedures, including sign-in, temporary badging, and escorted entry, as applicable.

(b) Failure of a Regular Employee to receive a favorable suitability determination shall be cause for removal of the employee from the work site and from other work in connection with the Contract.

(c) Contract employees working less than 6 months (Temporary Contractors) may, at the Government's option, be required to undergo a lesser form of suitability determination. Prior to the time that an identification card is issued, if at all, such Temporary Contractors will be required to comply with normal facility access control procedures, including sign-in, temporary badging, and escorted entry, as applicable. Temporary Contractors who require routine access to GSA facilities for less than 6 months will require at minimum a law enforcement check to receive unescorted access.

(d) Temporary Contractors who have not received a favorable suitability determination shall be escorted at all times while in non-public space, as directed by the Government.

(e) The Government, at its sole discretion, may grant preliminary suitability determinations to Regular or Temporary Contractors. However, the granting of a preliminary suitability determination to any such employee shall not be considered as assurance that a final favorable suitability determination will follow.

(f) The Contracting Officer or his/her designated representative shall provide the Contractor with required forms for obtaining necessary clearances. The Contractor shall be required to cause such completed forms to be returned to the Government for processing not later than 14 days following being provided by the Government.

(g) The Contractor shall be responsible for planning and scheduling its work in such a manner as to account for facility access issues. Difficulties encountered by the Contractor in gaining access to facilities by its employees and subcontractors shall not be an excuse to any Contractor performance under the Contract.