



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

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M-16-14

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Anne E. Rung 
United States Chief Acquisition Officer

SUBJECT: **Category Management Policy 16-2: Providing Comprehensive Identity Protection Services, Identity Monitoring, and Data Breach Response**

This memorandum updates a longstanding Office of Management and Budget (OMB) policy, first implemented in 2006, to maximize federal agency use of a government-wide solution for acquiring identity protection services when needed. This memorandum requires, with limited exceptions, that when agencies need identity protection services, agencies address their requirements by using the government-wide blanket purchase agreements (BPAs) for Identity Monitoring Data Breach Response and Protection Services awarded by the General Services Administration (GSA), referred to below as the “IPS BPAs.”

For the past decade, GSA has offered commercial credit monitoring services through government-wide BPAs established under its Federal Supply Schedules (FSS) Program. When the BPAs were launched, OMB instructed agencies to review the pricing and terms and conditions of the BPAs in addition to any other credit monitoring services they may be considering in their market research and notify OMB prior to making an award outside of the BPAs.¹

Last year, GSA partnered with other agencies on requirements for new BPAs to ensure that all agencies have access to a pool of best qualified contractors capable of providing a comprehensive range of identity protection services, including credit monitoring. For details on the IPS BPAs, including task order instructions, offered services, authorized users, order dollar value limitations, the inclusion of agency specific terms, and ordering periods, visit www.gsa.gov/ipsbpa.

Taking advantage of the IPS BPAs ensures agencies can meet their needs for expeditious delivery of best-in-class solutions from pre-approved and vetted companies at competitive pricing and reduced administrative costs. For these reasons, the IPS BPAs shall be treated as a preferred source for Federal agencies when agencies have a need for credit monitoring, breach response, and identity protection services. Consistent with category management principles, GSA, as the contract manager, will work with an interagency team to periodically review and refresh, as appropriate, the contract terms and requirements to ensure the BPAs continue to reflect the best identity protection practices and agencies’ needs.

¹ See OMB Memorandum M-07-04, *Use of Commercial Credit Monitoring Services Blanket Purchase Agreements*.

The following steps, which are effective immediately, are designed to ensure agency use of the IPS BPAs to the maximum extent practicable:

1. **Review the range of services offered under the IPS BPAs:** If the agency has an existing vehicle that overlaps with the BPAs and is planning to exercise an option, or is planning to issue a new contract that could overlap with the BPAs, take the additional steps described below.

2. **Existing contracts:**

a) **Analysis of alternatives:** As part of deciding whether to exercise an option under an existing agency contract, and in accordance with Federal Acquisition Regulation (FAR) 17.207, the agency shall analyze terms/conditions, pricing, performance, fees and savings under the agency contract relative to the IPS BPAs. The agency may also consider the impact on an incumbent small business contractor.

b) **Sharing of final analysis:** If the agency exercises the option, it shall provide the final analysis to GSA and OMB at the following URL:
<https://community.max.gov/x/CoELQ>.

c) **Agency approvals:** If an agency proceeds with exercising an option under an existing agency contract, the agency shall ensure the final analysis has been approved by the Senior Agency Official for Privacy (SAOP) and any other officials as identified by internal agency policies.

d) **Sharing of prices paid and other contract information:** If the agency exercises the option, it shall submit, using the URL provided above:

(i) a copy of the option and underlying contract vehicle and,

(ii) at the end of the option period, prices paid under the option.

3. **Planned procurements:**

a) **Analysis of alternatives:** Agencies that are considering a different vehicle to provide identity protection services shall develop an analysis of alternatives that compares the planned vehicle to the IPS BPAs in terms of: scope, period of performance, terms and conditions, pricing, performance, administrative costs (cost of full-time equivalent employees supporting award and administration of the vehicle vs. the fees that would be paid to use the IPS BPAs) customer satisfaction (if the organization has previously managed a similar vehicle), and small business impact, if any. The analysis should also highlight any unique features and/or requirements. Finally, if the agency is planning an inter-agency

contract, its evaluation should include a market analysis and a description of the agency's suitability for managing the vehicle.

- b) Sharing of analysis: If the agency proceeds with its own vehicle, it shall:
 - (i) provide the final analysis to GSA and OMB at the URL identified above; and
 - (ii) if the anticipated value of the vehicle exceeds the simplified acquisition threshold (SAT), the agency shall share a draft of the analysis with the Category Manager for Professional Services and OMB at <https://community.max.gov/x/CoELQ> for a five (5) business day review period to offer input on the analysis.
- c) Agency approvals: If, after considering any input from the Category Manager, the agency decides to proceed with its own vehicle, it shall ensure the final analysis has been approved in accordance with internal agency policies. At a minimum, the analysis shall be approved by the SAOP and, if the vehicle has an anticipated value above the SAT, by the agency's Senior Procurement Executive.
- d) Sharing of prices paid and other contract information: If the agency proceeds with its own vehicle, the agency shall submit using the URL provided above:
 - (i) a copy of the contract vehicle; and,
 - (ii) at the end of the base and each option period, prices paid under the contract vehicle.

Agencies that require contractors to provide identity protection services, or a subset thereof, as part of the security or safeguarding requirements in their contract are exempt from this guidance. However, pursuant to FAR Part 51.1 Contractor Use of Government Supply Sources, agencies may at their discretion authorize government contractors under cost-reimbursement contracts and fixed price contracts for protection of security classified information and related security equipment to use GSA sources, including the IPS BPAs, when determined to be in the best interest of the government. Additionally, agencies may seek a deviation pursuant to FAR Subpart 1.4 to address other situations where contractor access to the IPS BPAs would be beneficial.

By implementing the process described above, the government will serve the needs of impacted individuals, programs, and operations by leveraging the government's robust buying power abilities to provide cost-effective, best-in-class solutions. Agencies are encouraged to contact GSA and OMB with any potential questions or concerns regarding the implementation of included instructions.

For further questions regarding this memorandum, please contact Iulia Manolache in the OMB's Office of Federal Procurement Policy at imanolache@omb.eop.gov or (202) 395-7318.