PROCUREMENT MEMORANDUM 2006-01

ACTION

MEMORANDUM FOR: HEADS OF CONTRACTING OFFICES

FROM: Michael S. Sade
Director of Acquisition Management
And Procurement Executive


Background

In accordance with the directive, all Federal agencies are required to implement the minimum requirements for a Federal personal identification system that meets the control and security objectives of the directive, including the personal identity proofing, registration, and issuance process for employees and contractors by October 27, 2005. Full implementation of FIPS PUB 201 is required by October 2008. In order to facilitate implementation of the directive throughout the Department, DOC has established the Credential Management Program Office (CMPO) within the Office of the Secretary, Director for Security. The CMPO will make policy recommendations and develop the Department’s Credential Reliability Program to include associated services (i.e., identity proofing, credential management, etc.) for the Department.

Purpose and Scope
The purpose of this procurement memorandum is to implement HSPD-12 and direct the use of FIPS PUB 201 in the solicitation and award of contracts involving physical access
to agency premises and electronic authentication and access control to agency computer
systems and electronic infrastructure.

Acquisition Policy

PIV Sponsors: Contracting Officer Representatives (CORs) will serve as PIV sponsors
for contractor personnel. Contracting Officers shall ensure the COR Delegation and
Appointment Memorandum outlines duties for PIV sponsors. In order to facilitate the
PIV credential process, a copy of applicable HSPD-12 award documents should be
submitted to the CMPO within 5 days after award.

As PIV sponsors, CORs will be responsible for ascertaining the risk level for the contract
and the positions required to complete the work, including credentialing requirements,
facilitating the vetting process, and ensuring that credentials are renewed and rescinded in
a timely manner. Procedures for sponsorship are specified at Office of Security (OSY)
website http://www.ossec.doc.gov/osy/HSPD12/HSPD-12Information.htm. CORs shall
refer to NIST Special Publication 800-53, Recommended Security Controls for Federal
and the Commerce IT Security Program Policy, Section 7.4
(http://www.ossec.doc.gov/cio/ITST/DOC-ITSecurity-Program-Policy.htm), for
assistance in determining the risk designation of positions that involve access to
Commerce IT systems.

Physical Access: When a contract requires contractor personnel to have unsupervised
physical access to a Federally controlled facility for more than 180 days; HSPD-12
compliant credentials must be issued. The 180 day period begins on the date contract
performance begins and ends exactly 180 days later. Contractor personnel that require
only intermittent access to federally controlled facilities are not required to undergo the
PIV credential process. This group includes delivery service, vending machine service,
and other transient service personnel. A “Federally controlled facility” is any Federally
owned or leased space, whether for single or multi-tenant occupancy, all or any portion of
which is under the jurisdiction, custody or control of DOC. If a building is shared with
non-government tenants, only access to the Federal area is controlled.

Logical Access: When Commerce authorizes contractor personnel an account to access a
Commerce IT system (either for log-in locally or remotely), then the person must be in
possession of the PIV credential for identification and authentication before access is
permitted. The COR must document in the Statement of Work the maximum level of
access required for the contractor to perform their duties (such as full access for system
administration, read/write only access for basic user functions, etc.).

Electronic Infrastructure: Procurements for hardware, software, or services that involve
the purchase of hardware or software associated with physical access to DOC facilities or
logical access to DOC IT hardware or software (i.e., computer components, servers, local
area network components, and other related hardware and software) must be reviewed for
compliance with HSPD-12 and FIPS PUB 201. CORs shall coordinate with designated
representatives of the Office of Security (OSY) for compliance with physical access
requirements and the Office of the Chief Information Officer (OCIO) for compliance with logical access requirements.

**Action Required**

**Physical and Logical Access:** Contracting Officers shall insert language to comply with the HSPD-12, FIPS PUB 201, and OMB Memorandum M-05-24 in solicitations and contracts when performance requires contractors to have physical access to a Federally controlled facility for more than 180 days or access to a Federal information system. Current contracts that require contractor personnel to have physical or logical access as described above must be modified to include the PIV requirements when an option is exercised, or when the contract term will extend past October 27, 2007. Attachment A contains a model contract language for use in affected solicitations and resulting contracts.

**Electronic Infrastructure:** For solicitations for the acquisition of hardware, software, or services that involve electronic infrastructure, Contracting Officers shall require the COR to submit the Statement of Work or Specifications to a designated representative of the OCIO and/or OSY, as appropriate, to address logical and/or physical access issues, for compliance with HSPD-12 and FIPS PUB 201. The Contracting Officer shall take appropriate action pursuant to the guidance received from the designated representative of the OCIO and/or OSY.

For current contracts with pending deliveries of hardware software, and services that involve electronic infrastructure, Contracting Officers must, in consultation with the COR, notify the designated representative of the OCIO and/or OSY, as appropriate, to address logical and/or physical access issues, of any items on the contract not yet delivered and accepted. The Contracting Officer shall take appropriate action pursuant to the guidance received from the designated representative of the OCIO and/or OSY.

**Additional Information**

For questions regarding the PIV credential process, the Credential Management Program Office (CMPO) point of contact is Ron Martin at (202) 482-4637 or rmartin@doc.gov. For questions regarding logical access requirements, contact Nancy DeFrancesco at (202) 482-3490 or NdeFrancesco@doc.gov. For questions regarding this memorandum, contact Dao Vissering at (202) 482-4185 or dvissering@doc.gov.
MODEL CONTRACT LANGUAGE TO IMPLEMENT HSPD-12

The performance of this contract requires contractors to have physical access to Federal premises for more than 180 days or access to a Federal information system. Any items or services delivered under this contract shall comply with the Department of Commerce personal identity verification procedures that implement HSPD-12, FIPS PUB 201, and OMB Memorandum M-05-24. The Contractor shall insert this clause in all subcontracts when the subcontractor is required to have physical access to a Federally controlled facility or access to a Federal information system.