

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF 1   37 PAGES
2. CONTRACT NO. HSTS02-09-C-ITC822	3. SOLICITATION NO.	4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)	5. DATE ISSUED	6. REQUISITION/PURCHASE NO. 2109209TTC822

7. ISSUED BY  
U.S. DEPARTMENT OF HOMELAND SECURITY  
TRANSPORTATION SECURITY ADMINISTRATION  
OFFICE OF ACQUISITION, TSA-25  
601 S. 12<sup>TH</sup> ST.  
ARLINGTON, VA 22202

8. ADDRESS OFFER TO (If other than Item 7)

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"  
SOLICITATION

9. Sealed offers in original and \_\_\_ copies for furnishing the supplies or services in the schedule will be received at the place specified in item 8, or if handcarried, in the depository located in item 7 until \_\_\_ local time.

CAUTION - N/A LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-10 All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:  A. NAME  
Marcelle Loveday

B. TELEPHONE NO. (include area code) (NO COLLECT CALLS)  
(571) 227- (b)(6)

II. TABLE OF CONTENTS			
(✓)	SEC.	DESCRIPTION	PAGE (S)
PART I - THE SCHEDULE			
X	A	SOLICITATION/CONTRACT FORM	
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	
X	C	DESCRIPTION/SPECS/WORK STATEMENT	
X	D	PACKAGING AND MARKING	
X	E	INSPECTION AND ACCEPTANCE	
X	F	DELIVERIES OR PERFORMANCE	
X	G	CONTRACT ADMINISTRATION DATA	
X	H	SPECIAL CONTRACT REQUIREMENTS	
PART II - CONTRACT CLAUSES			
X	I	CONTRACT CLAUSES	
PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH			
X	J	LIST OF ATTACHMENTS	
PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	K	REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS	
X	L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
X	M	EVALUATION FACTORS FOR AWARD	

OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within \_\_\_ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT

10 CALENDAR DAYS	20 CALENDAR DAYS	30 CALENDAR DAYS	___ CALENDAR DAYS
%	%	%	%

(See Section L, Clause 52-232-8)

14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offers and related documents numbered and dated:)

AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR

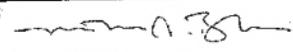
CODE  
Federated IT, Inc.  
1200 G St NW  
Suite 800  
Washington, DC 20005-6705

FACILITY

16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)  
Matthew Bucholz, President

15B. TELEPHONE NO. (include area code)  
(202) 434-8959

15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE. ENTER SUCH ADDRESS IN SCHEDULE

17. SIGNATURE  


18. OFFER DATE  
27 May 2009

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED

20. AMOUNT

21. ACCOUNTING AND APPROPRIATION See Section G.4

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION:  
 10 U.S.C. 2304(c)  41 U.S.C. 253(c)

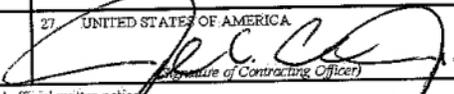
23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified) See Section G.2

ITEM

24. ADMINISTERED BY (If other than item 7) CODE

25. PAYMENT WILL BE MADE BY CODE:

26. NAME OF CONTRACTING OFFICER (Type or print)  
John A. Culmer, Jr. Contracting Officer

27. UNITED STATES OF AMERICA  
  
Signature of Contracting Officer

28. AWARD DATE  
5-27-09

## SECTION A - CONTRACT FORM

This award is a Cost-Plus-Award-Fee Contract for the services described in Section C of this contract.

## SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

### B.1 General

The Contractor shall provide all management, supervision, labor, and materials necessary to perform the services identified in the Statement of Objectives on a Cost Plus Award Fee (CPAF) basis.

### B.2 Base and Option Periods

The term of this Contract will be for a 12 month base period from date of award plus 4 one-year option periods if so exercised.

#### B.2.1 Cost Reimbursement and Award Fee Contracts

Cost-reimbursement types of contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer.

A cost-plus-award-fee contract is a cost-reimbursement contract that provides for a fee consisting of (1) a base amount (which may be zero) fixed at inception of the contract and (2) an award amount that the contractor may earn in whole or in part during performance and that is sufficient to provide motivation for excellence in such areas as quality, timeliness, technical ingenuity, and cost-effective management. The amount of the award fee to be paid is determined by the Government's judgmental evaluation of the contractor's performance in terms of the criteria stated in the contract. This determination and the methodology for determining the award fee are unilateral decisions made solely at the discretion of the Government.

*For additional information see FAR Subpart 16.3—Cost-Reimbursement Contracts*

### B.3 Contract Pricing

#### B.3.1 Additional Labor Categories

At any time and throughout the life of the contract, at the request of either the Contractor or the Government, the Contractor may propose additional labor categories, rates and descriptions in addition to the Government labor categories identified in Section B.4. These additional labor categories, rates and descriptions will be negotiated on a case-by-case basis. The additional categories, rates and descriptions proposed, upon determination by the Government that they are necessary for contract performance and both fair and reasonable, will be incorporated by modification into the Section B.4 Labor Rate Tables of this contract.

#### B.4 Labor Rate Tables and Cost Proposal Elements Attachment 03

The Labor Rate Tables provide labor category descriptions, labor rates, and markup percentages for performance of the requirements. Fully loaded hourly labor rates are included for each labor category. These fully-loaded hourly labor rates are the ceiling rates representing the maximum rates allowable for labor.

**B.4.1 CLIN Description**

The Base Period and all exercised Option Periods will be incrementally funded as per FAR Clause 52.232-22, Limitation of Funds.

**B.4.2 Base Fee and Award Fee**

The Government reserves the unilateral right to formulate an Award Fee Plan upon contract award.

**Base Period:** 12 months from Date of Award

**YEAR 1**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
0001	Labor	1	JB	—	\$4,463,918.31	\$1,937,712.46
0002	Base Fee	12	Months	4%	\$178,556.73	\$178,556.73
0003	Award Fee Pool	1	JB	6%	\$267,835.10	\$267,835.10
0004	Other Direct Cost	1	JB	—	\$1,044,510.98	\$507,141.71
<b>Base Period Total Funded</b>						<b>\$2,891,246.00</b>

**Option Period 1:** 12 months from end date of base period

**YEAR 2**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
1001	Labor	1	JB	—	\$4,548,647.34	TBD
1002	Base Fee	12	Months	4%	\$181,945.89	TBD
1003	Award Fee Pool	1	JB	6%	\$272,918.84	TBD
1004	Other Direct Cost	1	JB	—	\$363,527.48	TBD
<b>Base Period Total Funded</b>						<b>TBD</b>

**Option Period 2: 12 months from end date of option period 1**

**YEAR 3**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
2001	Labor	1	JB	—	\$4,085,904.09	TBD
2002	Base Fee	12	Months	4%	\$163,436.16	TBD
2003	Award Fee Pool	1	JB	6%	\$245,154.25	TBD
2004	Other Direct Cost	1	JB	—	\$374,433.31	TBD
<b>Base Period Total Funded</b>						<b>TBD</b>

**Option Period 3: 12 months from end date of option period 2**

**YEAR 4**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
3001	Labor	1	JB	—	\$4,168,648.54	TBD
3002	Base Fee	12	Months	4%	\$166,745.94	TBD
3003	Award Fee Pool	1	JB	6%	\$250,118.91	TBD
3004	Other Direct Cost	1	JB	—	\$385,666.31	TBD
<b>Base Period Total Funded</b>						<b>TBD</b>

**Option Period 4: 12 months from end date of option period 3**

**YEAR 5**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
4001	Labor	1	JB	—	\$4,071,797.45	TBD
4002	Base Fee	12	Months	4%	\$162,871.90	TBD
4003	Award Fee Pool	1	JB	6%	\$244,307.85	TBD
4004	Other Direct Cost	1	JB		\$397,236.30	TBD
<b>Base Period Total Funded</b>						<b>TBD</b>

## SECTION C - Statement of Objectives

### Transportation Security Administration Transportation Threat Assessment and Credentialing Adjudication Services

#### I. Purpose

The Transportation Security Administration (TSA) is responsible for protecting the nation's transportation systems to ensure freedom of movement of people and commerce. The Office of Transportation Threat Assessment and Credentialing (TTAC), Adjudication Services (AS) support task conducts Security Threat Assessments (STAs) for individuals applying for credentials or access to the nation's transportation system. TSA requires these services in order to conduct an automated biographic and biometric background check of criminal records, immigration records and intelligence-related information. The required outcome is a review of this background information to determine potential disqualifications for criminal offenses, immigration issues, links to terrorism, and/or mental competencies based on a fingerprint-based Federal Bureau of Investigations (FBI) criminal history records check (CHRC), a check for any open warrants and warrants, an intelligence-related check, and an immigration/citizenship status check in a timely and accurate manner.

#### II. Background

In support of the TSA mission, the TTAC STA adjudicators are responsible for conducting STAs for every transportation worker or individual seeking to obtain an endorsement, credential, access and/or privilege (hereafter credential). The critical component most relevant to executing this task is recruiting, training and retaining staff capable of sustaining performance to TSA standards. The programs covered in this requirement include, but are not limited to:

- Aviation Worker (AW) Program
- Hazardous Materials Endorsement (HME) Program for Commercial Driver's Licenses (CDLs)
- Indirect Air Carrier/Air Cargo (IAC) Program<sup>1</sup>
- Transportation Worker Identification Credential (TWIC) Program

#### III. Scope

The scope of this effort requires the full range of adjudications services support to TSA programs to conduct STAs. TTAC adjudication services will use a combination of

---

<sup>1</sup> STAs under the IAC program currently require only an intelligence check which does not require the contractor support described in this notice. Such support could be required in the future if STA requirements change.

government and contractor resources to review and complete STAs. This Statement of Objectives (SOO) reflects current DHS TSA policies and practices and current operational caseloads and Acceptable Quality Level's. This will allow offerors to propose and price a solution to meet program objectives. It is anticipated that specific adjudication requirements and resulting objectives will change over the life of this contract, which could potentially result in TSA modifying the contract to incorporate in-scope changes.

Adjudicators access government or commercial databases to conduct research and obtain case information. TTAC uses web-enabled TSA systems as primary tools for gathering, viewing and synthesizing information needed to conduct STAs and render decisions. TSA checks applicant information against results of the following databases depending on STA requirements for the specific program in order to make a credential decision:

- Open Wants and Warrants from the National Crime Information Center (NCIC)
- CHRC via the Integrated Automated Fingerprint Identification System (IAFIS)
- Intelligence check using the TSA Colorado Springs Operations Center (CSOC)
- Immigration/citizenship status check from the Systematic Alien Verification for Entitlement Verification Information System (SAVE VIS)

High speed internet connectivity of the requisite bandwidth to accommodate all users at the contractor facility is needed in support of adjudicators and all staff that carry out these adjudication services. Support should also include setting up and maintaining a fully operational office space complete with, but not limited to, personal computers, desks, printers, faxes, shredders, conference rooms, break rooms and office supplies, etc.

Contractor support is required to adjudicate credential applications submitted for a STA based on the following current estimated caseload table:

PROGRAM/POPULATION	ESTIMATED MONTHLY CASELOAD
Aviation Workers (AW)	8,000 – 12,000
Hazardous Materials Endorsement (HME)	14,000 – 20,000
Transportation Worker Identification Credential (TWIC)	30,000 – 60,000
Investigation, Referrals and Analysis (IR&A)	0 – 60

It is anticipated that TTAC will continue to bring on new programs/populations, e.g., Certified Cargo-Screening Program (CCSP), Federal Aviation Administration (FAA) Airmen, Chemical Workers, and TSA Alien Flight Student Program (AFSP). In on-boarding new populations, caseloads may increase which may require recurring surge support for limited durations on multiple occasions. Surge support is defined as: support required to address an immediate specific skill set and/or caseload requirement which is of limited duration, which enables the government to successfully achieve additional mission objectives. The increase in populations or caseload may double or triple the caseloads for some duration then return to a new (higher) baseline.

Contractor shall include a basis of estimate that identifies and explains changes in population and corresponding caseloads.

#### IV. Objectives and Requirements

##### A. Objectives

Adjudication and investigative steps fall into two primary phases: adjudication and post-adjudication. Adjudication involves logging onto the adjudication system, reviewing applicant and case background check information, conducting investigations or referrals when required, rendering a credential decision, documenting the decision, and writing letters to applicants who are potentially disqualified. Post-adjudication involves more senior-level personnel managing applicant appeal requests, waiver requests, waiver review boards, case research, Administrative Law Judge proceedings and other activities relating to providing legal due-process to applicants.

TTAC Security Threat Assessment Operations expects to improve its current adjudication services operations through this contract in several ways. Primary among these is to increase the average adjudication accuracy rate and average output for all cases as per defined in the Acceptable Quality Levels (AQL) table. In addition TTAC seeks assurance that the Adjudication Services scope is scalable to meet the estimated monthly case loads and any surges as defined in Section IV. As part of these activities the contractor must meet all security requirements outlined in Section VIII "Operating Constraints" below.

The table below defines the AQLs:

ACCEPTABLE QUALITY LEVELS		
	Average Number of Cases per Day per Initial Adjudicator	Average Adjudication Accuracy Rate for all Cases
<b>AW Program:</b>	250	95%
<b>HME Program:</b>	150	95%
<b>TWIC Program:</b>	120	95%
<b>Overall Case Production for each program is the percentage of cases closed within 5 days of receipt : 95%</b>		

These are the absolute minimum acceptable accuracy rates and output per program. The Overall Case Production is the percentage of cases closed during initial Adjudication. "Closed" cases are those cases closed with no disqualifying factors and those cases that have been issued an Initial Determination of Threat Assessment (IDTA) due to potentially disqualifying factors. A contractor shall be determined to be not in compliance with this contract (see above table, "Acceptable Quality Levels") if:

- The contractor does not meet the minimal number of cases/day per initial adjudicator for a period of four (4) consecutive weeks for any program; or

- The contractor does not meet the AQL for a period of four (4) consecutive weeks for any program; or
- The contractor does not meet the Overall Case Production AQL for a period of four (4) consecutive weeks for any program.
- The contractor may request a waiver from non-compliance based on extenuating circumstances to the COTR when not in compliance, but before the period of four (4) consecutive weeks (20 business days) has expired.

The contractor shall provide a Performance Work Statement (PWS), Performance Management Plan (PMP), and Quality Control Plan (QCP) to include the contractor’s plan to achieve very high quality while adjudicating the caseload with highly proficient and productive staff to meet the caseload estimates. The PMP, once accepted by the government, will form the basis for measuring contract performance. The PMP may be amended as necessary in response to new program assignments or significant changes in currently assigned programs based on mutual agreement by both the contractor and TSA.

At a minimum, the PMP shall describe the contractor’s methods for attaining and potentially exceeding the above AQLs and evaluating the quality of adjudicated cases (based on adherence to provided program specific adjudication criteria) in a QCP. The QCP shall also describe proposed weekly program monitoring activities that identify adjudication response times.

**NOTE:** The Average Adjudication Accuracy Rate is the percentage of cases rejected during mid-level review. Rejection of a case is based on critical errors made by the originating initial adjudicator. A critical error is the incorrect assessment (a decisional error) or incomplete adjudication of a case. “Incorrect” refers to either a false positive (a determination of GREEN when the applicant should have been disqualified) or false negative (a determination of RED when the applicant had no disqualifying factors) assessment. “Incomplete” refers to leaving any element of the case not adjudicated that should have been part of the initial adjudication. The Overall Case Production is the percentage of cases closed during initial Adjudication.

**V. Deliverables and Delivery Schedule**

Item	Deliverable	Due Date	Format
1	<u>Weekly Reports</u>	Weekly	Contractor proposed; government accepted
2	<u>Monthly Program Management Review (PMR)</u>	Due by 10th Calendar Day of each Subsequent Month	Primary Location is TSA HQ, scheduled mid-month

- The contractor shall submit weekly reports in accordance with the contractor’s PMP.
- The contractor shall conduct monthly Program Management Reviews (PMR) where contractor presents and TSA reviews all deliverables, metrics, costs, performance, staffing and required reports.
- The contractor shall submit all contract deliverables to both the TSA COTR and PM. Contract deliverables require approval and acceptance by the COTR.

## **VI. Period and Place of Performance**

The period of performance shall be for 12 months from date of award plus four (4) option years.

Based on the sensitive nature of the credential, endorsement, and/or privilege plus the potential imminent threat an applicant may pose to national security and/or transportation security, the contractor's secure operating facility must be located in the National Capital Region within a 25-mile radius of TSA Headquarters (HQ) in order for Adjudication Services management to coordinate with TSA leadership and collaborate with Federal, State and Local Law Enforcement agencies if needed.

TSA HQ is located at 601 South 12<sup>th</sup> Street, Arlington, Virginia 22022. Prior to contract start date, the contractor facility must be accredited in accordance with DD254 standards at the TOP SECRET level. In case an alternate site becomes required, the contractor shall locate and maintain an alternate site of business for staff and IT/IS capabilities within a 25-mile radius of TSA HQ at 50% operational capability within five (5) days of outage, and shall resume 100% operational capability within ten (10) days.

## **VII. Travel**

TSA does not anticipate incurring any travel costs as part of this contract. TSA shall not reimburse the contractor for any commuting costs or other local travel incurred by contractor personnel. Any other travel needed must be approved in advance by the COTR and performed in accordance with Federal Travel Regulations.

## **VIII. Constraints**

### **A) Program Management:**

- The contractor shall provide adjudication services at contractor facility in support of the TTAC programs' caseloads and their mission. The contractor shall provide qualified and experienced personnel to fulfill the duties required.
- The contractor shall provide Program Management including the responsibility for managing contract operations and ensuring quality standards and work performance under this contract. Program Management support services include planning, organizing, and overseeing work efforts, assigning resources, supervising personnel, providing risk management, ensuring quality management, and monitoring overall project and contract performance.
- The contractor shall provide administrative and clerical support activities.
- The contractor shall provide a staffing plan that identifies how the contractor will recruit, hire and retain high performing personnel and effectively remedy or replace staff performing below specified requirements.

### **B) Training:**

- The contractor shall provide acceptable STA training to its adjudicators in conjunction with the government staff. Training shall also include IT Security Awareness Training and safeguarding Sensitive Security Information (SSI) that meets applicable TSA directives and policies.

**C) Infrastructure Support:**

- The contractor shall provide a secure facility in which to perform STAs. The TSA Office of Security has developed Security Requirements Guidelines to prevent and mitigate crime, to respond to heightened threat levels and to prepare for emergency situations. The contractor solution shall adhere to TSA Management Directive (MD) 1400.3, DHS MD 4300A, DHS MD 4300B and other applicable guidance for physical security. In addition to TSA MD 1400 and DHS MD 4300, the contractor shall apply the Program of Requirements (POR): Design Guidelines – Security Requirements Guidelines, developed by the TSA Office of Real Estate Services, January 2008. The facility and security processes must also meet FBI security requirements for the use, dissemination and security of criminal history record information as set forth in the FBI Compact Council outsourcing regulations and as described in the Criminal Justice Information System (CJIS) Security Policy. Prior to contract start date, the contractor facility must be accredited in accordance with DD 254 standards at the TOP SECRET level.
- The contractor shall provide a secure information technology and facilities to support the capabilities required in this solicitation. The contractor shall provide connectivity to the Internet with sufficient bandwidth and security to meet mission (caseload) requirements. The contractor shall provide system capabilities that track status, maintain records, and report on status of applications from STA initiation to final determination. The contractor shall provide ongoing information technology (IT) support services to maintain Internet connectivity, local file sharing and other network services. The contractor shall comply with appropriate DHS and TSA technical, management and operational controls to ensure that the government's security requirements are met. The system must be in compliance with DHS/TSA IT requirements. System must also be Federal Information Security Management Act (FISMA) compliant.

**D) Transition:**

- The contractor shall provide support to transition activities and migration support for adjudication services support upon the expiration of this contract. The government defines "transition" as the effective, efficient completion of knowledge transfer to ensure uninterrupted operational capability as either the government or another contractor assumes responsibilities from another.

**E) Information Technology (IT) and IT Security**

**External Interfaces** - The contractor shall interface with the following system and applications:

Application Name	Owner	Details
Screening Gateway (SG)	TSA	Screening Gateway is a web-based application that collects, processes, and stores information on a variety of TSA threat assessment applicants.
Consolidated Screening Gateway (CSG)	TSA	Same as above
Document Management Portal (DMP)	TSA	Letter writing capability for adjudication process.
Security Threat Assessment Knowledge Environment (STAKE)	TSA	Planned future adjudication application

- The contractor shall comply with requests to be audited and provide timely responses to requests for data, information, and analysis from the Office of Inspector General (OIG), General Accounting Office (GAO), TSA Office of Chief Information Security Officer (OCISO) and other government agencies
- Interconnectivity and Remote Access: Unless otherwise directed by TSA, any storage of data must be contained within the resources allocated to support TSA and may not be on systems that other commercial or government clients share
- The contractor shall achieve Certification and Accreditation (C&A) in accordance with NIST SP 800-37 for all TSA information systems, including general support systems (e.g., standard TSA desktop, general network infrastructure, electronic mail, etc.), major applications and pilot systems (if connected to the operational network or processing, storing, or transmitting government data). Per FIPS 140-2 the contractor shall adhere to requirement of whole disk encryption.
- The contractor shall provide, implement and maintain a Security Program Plan (SPP). This plan shall describe the processes and procedures that will be followed to ensure the appropriate security of IT resources that are developed, processed, or used under this contract, including the system architecture diagram within the security boundary. At a minimum, the contractor's SPP shall address the contractor's compliance with the controls described in the NIST Special Publication 800-53, *Recommended Security Controls for Federal Information Systems*. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract. The security controls contained in the plan shall meet the requirements listed in the TSA, Security Policy Handbook -- Chapter 3, Section 21 Information Security Documentation and the DHS Sensitive Systems Policy and Handbook 4300A (current version). The SPP shall meet FBI security requirements for the use, dissemination and security of criminal history record information as set forth in the FBI Compact Council outsourcing regulations and as described in the Criminal Justice Information System (CJIS) Security Policy. The SPP shall be required in the contract as a compliance document.

## **F) Operations and Maintenance:**

- The contractor shall provide operational support of system hardware configurations and shall monitor operating system and application software operations to ensure ongoing, continuous operation is maintained.
- The contractor shall develop and ensure TSA contingency plans are consistent with DHS 4300A.

## **G) Personnel Security**

All TSA contractors and consultants must execute a DHS Form 11000-6, Sensitive But Unclassified (SBU) Information Non-Disclosure Agreement (NDA), upon initial assignment to TSA.

Support for this task will require a minimum of SECRET clearances for all adjudicators and staff performing adjudication and post adjudication services. Prior to contract start date, the contractor shall certify that sufficient staff hold a current SECRET clearance and/or hold a current Interim SECRET clearance. A current TOP SECRET clearance is required of contractor staff performing risk assessment services for Investigation Referrals and Analysis (IR&A) division.

## **H) Key Personnel and Other Support**

Personnel designated as "Key Personnel" are considered essential to the work being performed under this contract. Any changes to the status of key personnel under this agreement must be approved by TSA. It is the government's belief that the following positions will be designated Key Personnel for this effort:

- **PROGRAM MANAGER**
- **DEPUTY PM**

The contractor shall provide support and services to TTAC Investigations Referrals & Analysis at TSA HQ. Contractor personnel required to support this Division require a TOP SECRET clearance. IR&A support services include: receiving requests for investigation, conducting preliminary determinations, initiate and conduct investigative activities, create case files, and preparing Reports of Investigation for each case file and conducting other analysis and quality control activities as requested.

## **I) Applicable Documents**

Relevant legal, regulatory, policy and security documents are cited below. The contractor shall adhere to the latest version of the documentation referenced below or cited elsewhere in the SOO. Pursuant IT related acquisitions all components must conform to TSA IT architecture and accessibility standards.

- Public Law 107-347, Federal Information Security Management Act (FISMA) of 2002.

- NIST Special Publication 800-18, Guide for Developing Security Plans for Information Technology Systems, dated December 1998.
- Office of Management and Budget (OMB) Circular A-130, Appendix III, Security of Federal Automated Information Resources.
- Public Law 100-235, The Computer Security Act of 1987
- Computer Fraud and Abuse Act of 1986
- Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d)
- The Privacy Act of 1974 (5 U.S.C. § 552a)
- DHS Management Directive 4300A - Sensitive Systems Policy: Information Technology Security Program
- DHS Management Directive 4300B - National Security Systems Policy Publication: Information Technology Security Program
- DHS Management Directive 11042: Safeguarding Sensitive but Unclassified (For Official Use Only) Information
- DHS Management Directive 4900: Individual Use and Operation of DHS Information Systems/Computers
- DHS Management Directive 11056.1 Sensitive Security Information (SSI)
- FBI CJIS Security Policy
- FIPS Publication 201-1 Personal Identity Verification (PIV) of Federal Employees and Contractors (March 14, 2006)
- FIPS 199
- FIPS PUB 140-2, Security Requirements for Cryptographic Modules
- NIST Special Publication 800-73-1 *Interfaces for Personal Identity Verification*, 2006 Edition (April 20, 2006)
- NIST Special Publication 800-76, Biometric Data Specification for Personal Identity Verification (February 1, 2006)
- NIST Special Publication 800-78, Cryptographic Algorithms and Key Sizes for Personal Identity Verification (April 25, 2005)
- NIST Special Publication 800-85A, *PIV Card Application and Middleware Interface Test Guidelines* (SP 800-73 Compliance) (April 5, 2006)
- NIST Special Publication 800-79, Guidelines for the Certification and Accreditation of PIV Card Issuing Organizations (July 26, 2005)
- NIST Special Publication 800-53, Recommended Security Controls for Federal Information Technology Systems
- NIST Special Publication 800-63, *Electronic Authentication Guideline*, (June 2004)
- TSA Management Directive 1400
- TSA Management Directive 2800.71
- TSA Management Directive 200.55
- TSA Management Directive 200.56
- TSA Management Directive 3700.4
- Title 49 Code of Federal Regulations
- Title 28 Code of Federal Regulations Part 906, Outsourcing of Non Criminal Justice Administrative Functions; and Security and Management Control Outsourcing Standards (Outsourcing Standards)
- Representative Acceptable Quality Levels and Standard Operating Procedures
- TSA Standard Operating Procedures for Enter on Duty Suitability Processing for Contractors

## SECTION D - PACKAGING AND MARKING

## D.1 Commercial Packaging

Preservation packaging and packing shall provide adequate protection against physical damage during shipment for all deliverable items in accordance with standard commercial practices.

The Contractor shall mark each deliverable item with the name of its firm, the TSA Contract Number, TSA COR, item identification, quantity of items and notice of partial or final delivery as appropriate.

## D.2 Markings

All deliverables submitted to the Contracting Officer, the designated Contracting Officer's Technical Representative (COTR), shall be accompanied by a packing list or other suitable shipping document that shall clearly indicate the following:

- (a) Contract number;
- (b) CLIN number
- (c) Name and address of the consignor;
- (d) Name and address of the consignee;
- (e) Government bill of lading number covering the shipment (if any); and
- (f) Description of the item/material shipped, including item number, quantity, number of containers, and package number (if any).

## SECTION E - INSPECTION AND ACCEPTANCE

### E.1 Clauses Incorporated by Reference (FAR 52.252-2) (Feb 1998)

This contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text can be accessed electronically at this internet address:  
<http://acquisition.gov/far/index.html>.

FAR Clause No.	Title and Date
52.246-5	Inspection of Services – Cost Reimbursement (APR 1984)

### E.2 Inspection and Acceptance

(a) Inspection and acceptance of all work and services performed this contract will be in accordance with the FAR clauses incorporated at Section E, *Clauses Incorporated by Reference* as applicable.

(b) Final acceptance of all deliverables and or services performed as specified under this contract will be made in writing, at destination by the COTR.

## SECTION F – DELIVERY AND PERFORMANCE

### **F.1 Clauses Incorporated by Reference (FAR 52.252-2) (Feb 1998)**

This contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text can be accessed electronically at this internet address:  
<http://acquisition.gov/far/index.html>.

<b>FAR Clause No.</b>	<b>Title and Date</b>
52.242-15	Stop-Work Order (AUG 1989), and ALTI (APR 1984)
52.242.17	Government Delay of Work (APR 1984)
52.247-34	F.O.B. Destination (NOV 1991)

### **F.2 Period of Performance**

The period of performance shall be for 12 months from date of award plus four (4) option years.

### **F.3 Place of Performance**

Partial work under this contract shall be performed at TSA HQ in Arlington, VA. Primary work of adjudication services is:

4511 Singer Court  
Chantilly, VA

### **F.4 Notice to the Government of Delays**

In the event the Contractor encounters difficulty in meeting performance requirements, or when it anticipates difficulty in complying with the contract delivery schedule or completion date, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer and the COTR. Such notice shall be in writing, giving pertinent details; provided, however, that this notice shall be informational only in character and the government's request for such notice shall not be construed as a waiver by the Government of any delivery schedule or date, or any rights or remedies provided by law or under this contract.

### **F.5 Deliverables**

(a) All applicable deliverables, their required delivery dates, and destination of delivery will be specified in this contract. All deliverables are identified in Section V. Deliverables and Delivery Schedule of the SOO.

(b) All deliverables submitted in electronic format shall be free of any known computer virus or defects and shall be in accordance with Paragraph 5.1 of the SOW entitled "Acceptance of Deliverables." If a virus or defect is found, the deliverable will not be accepted. The replacement file shall be provided within two (2) business days after notification of the presence of a virus.

(c) Each contract-level deliverable shall be accompanied by a cover letter from the Contractor on Company letterhead and shall be in accordance with the instructions in Section E as applicable. Multiple deliverables may be delivered with a single cover letter describing the contents of the complete package.

## SECTION G – CONTRACT ADMINISTRATION DATA

### G.1 Contract Administration Data

Contracting Officer (CO):

John A. Culmer, Jr.

Phone: 571-227-(b)(6)

FAX: 571-227-2911

E-mail (b)(6)

Contract Specialist

Marcelle Loveday

Phone: 571-227-(b)(6)

FAX: 571-227-2911

E-mail : (b)(6)

Contracting Officer Technical Representative (COTR):

Christine P. (Cornelius) Tomasson

Phone: 571-227-(b)(6)

FAX: 571-227-1376

E-Mail: (b)(6)

### G.2 SUBMISSION OF INVOICES (FEB 2006)

(a) The Transportation Security Administration (TSA) partners with the United States Coast Guard Finance Center for financial services in support of TSA operations, including the payment of contractor invoices. Therefore, all contractor invoices must be submitted to, and will be paid by, the U.S. Coast Guard Finance Center (FinCen).

(b) Invoices may be submitted via U.S. Mail, electronic mail, or facsimile. **Contractors shall utilize ONLY ONE method per invoice submission.** The submission information for each of the three methods is as follows:

(1) **U.S. Mail:**

United States Coast Guard Finance Center  
TSA Commercial Invoices  
P.O. Box 4111  
Chesapeake, VA 23327-4111

(2) **Electronic Mail:** *\*See note below.*

FIN-SMB-TSAINVOICES@USCG.MIL

(3) **Facsimile:** 757-413-7314

Facsimile submissions should be addressed to TSA Invoices. If this method is used, do not bundle multiple invoices together. One fax transmission per invoice.

(c) The electronic mail address and facsimile number listed above shall be used by contractors for ORIGINAL invoice submission only. If either electronic mail or facsimile submission is utilized, contractors shall not submit hard copies of invoices via the U.S. mail. It is the responsibility of the contractor to verify that invoices are received, regardless of the method of submission used. Contractors may inquire regarding the receipt of invoices by contacting the U.S. Coast Guard Finance Center via the methods listed in subparagraph (e) of this clause.

(d) Upon receipt of contractor invoices, FinCen will electronically route invoices to the appropriate TSA Contracting Officer's Technical Representative and/or Contracting Officer for review and approval. Upon approval, the TSA Contracting Officer will electronically route the invoices back to FinCen. Upon receipt of approved invoices from a TSA Contracting Officer, and the subsequent certification by an Authorized Certifying Official, FinCen will initiate payment of the invoices.

(e) Payment Status: Contractors may inquire on the payment status of an invoice by any of the following means:

- (1) Via the internet: [https://www.fincen.uscg.mil/secure/PH\\_menu.htm](https://www.fincen.uscg.mil/secure/PH_menu.htm)
- (2) Contacting the FinCen Customer Service Section via telephone at (757) 523-6940 (Voice Option #1). The hours of operation for the Customer Service line are 8:00 AM to 5:00 PM Eastern Time, Monday through Friday. However, the Customer Service line has a voice-mail feature that is available 24 hours per day, 7 days per week.
- (3) Via the Payment Inquiry Form <https://www.fincen.uscg.mil/secure/payment.htm>

***Note\* Electronic Submission of Invoices is strongly recommended.***

**G.3 PREPARATION OF INVOICES (FEB 2006)**

(a) Invoices shall include the information required in subparagraph (a)(2) of the Prompt Payment Clause, contained in this Section of the Contract, including EFT banking information, Taxpayer Identification Number (TIN), and DUNS number.

(b) Invoices that fail to provide the information required by the Prompt Payment Clause may be rejected by the Government and returned to the Contractor. Such rejection by the Government does not entitle the Contractor to interest payments from the date of submission of a rejected invoice. Interest payments apply only to proper invoices that are received by the Government.

(c) Supplemental Invoice Documentation: Contractors shall submit all supplemental invoice documentation necessary to approve an invoice along with the original invoice. The Contractor invoice must contain the information stated in the Prompt Payment Clause in order to be received and processed by FinCen. Supplemental invoice documentation required for review and approval of invoices may, at the written direction of the Contracting Officer, be submitted directly to either the Contracting Officer, or the Contracting Officer's Technical Representative.

**G.4 Accounting and Appropriation Data**

5TV09XB010D2009TVC040GE000023005700570TTC-5703000100000000-252R-TSA DIRECT-DEF. TASK-D	\$1,000,000.00
5TV09XA000D2009TVC050GE000023005700570TTC-5703000200000000-252R-TSA DIRECT-DEF. TASK-D	\$1,866,246.00

5TV090A000D2009TVC090GE000023005700570SAO-5700000000000000-252R-TSA DIRECT-DEF. TASK-D	\$25,000.00
<b>Total</b>	<b>\$2,891,246.00</b>

## SECTION H - SPECIAL CONTRACT REQUIREMENTS

### H.1 Contracting Officer Authority

In no event shall any understanding or agreement between the Contractor and any Government employee other than the Contracting Officer on any contract, modification, change order, letter or verbal direction to the Contractor be effective or binding upon the Government. All such actions must be formalized by a proper contractual document executed by an appointed Contracting Officer. The Contractor is hereby notified that in the event a Government employee other than the Contracting Officer directs a change in the work to be performed or increases the scope of the work to be performed, it is the Contractor's responsibility to make inquiry of the Contracting Officer before making the deviation. Payments will not be made without being authorized by an appointed Contracting Officer with the legal authority to bind the Government.

### H.2 Authorized Changes Only By The Contracting Officer

- (a) Except as specified in paragraph (b) below, no order, statement, or conduct of Government personnel who visit the contractor's facilities or in any other manner communicates with contractor personnel during the performance of this contract shall constitute a change under the "Changes" clause of this contract.
- (b) The Contractor shall not comply with any order, direction or request of Government personnel unless it is issued in writing and signed by the Contracting Officer, or is pursuant to specific authority otherwise included as a part of this contract.
- (c) The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract and notwithstanding provisions contained elsewhere in this contract, the said authority remains solely the Contracting Officer's. In the event the contractor effects any change at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contractor price to cover any increase in charges incurred as a result thereof. The address and telephone number of the Contracting Officer is:

Name: John Culmer  
Address: Department of Homeland Security  
Transportation Security Administration  
Office of Acquisition, TSA-25  
601 South 12<sup>th</sup> Street  
Arlington, VA 22202  
Telephone: (571) 227-(b)(6)

### H.3 Contracting Officer's Technical Representative

The Contracting Officer may designate other Government personnel (known as the Contracting Officer's Technical Representative) to act as his or her authorized representative for contract administration functions, which do not involve changes to the scope, price, schedule, or terms and conditions of the contract. The designation will be in writing, signed by the Contracting Officer, and will set forth the authorities and limitations of the representative(s) under the contract. Such designation will not contain authority to sign contractual documents, order contract changes, modify contract terms, or create any commitment or liability on the part of the Government different from that set forth in the contract.

(b) The Contractor shall immediately contact the Contracting Officer if there is any question regarding the authority of an individual to act on behalf of the Contracting Officer under this contract.

#### **H.4 Key Personnel**

For the purposes of this contract, the Contractor's Program Manager and Deputy PM shall be considered key personnel. The Contracting Officer retains the authority to accept or reject the qualifications of any key personnel required in a contractor's proposal. During contract performance, if a change to key personnel should become necessary, the Contractor shall submit a resume(s) of equally or better qualified personnel to the Contracting Officer for approval prior to bringing on board the new personnel. Key personnel must remain assigned to the contract by the Contractor on a full or part-time basis (depending on the level of effort) for the full period of performance of the contract barring circumstances outside the control of the Contractor (e.g., death, resignation, disability, etc.) or as otherwise approved by the CO due to a change of duties, promotion, etc.

#### **H.5 Non-Personal Services**

(a) As stated in the Federal Register, Volume 57, No. 190, page 45096, dated September 30, 1992, Policy Letter on Inherently Governmental Functions, no personal services shall be performed under this contract. No Contractor employee will be directly supervised by the Government. All individual employee assignments, and daily work direction, shall be given by the applicable employee supervisor. If the Contractor believes any Government action or communication has been given that would create a personal service relationship between the Government and any Contractor employee, the Contractor shall promptly notify the CO of this communication or action.

(b) The Contractor shall not perform any inherently governmental actions under this contract. No Contractor employee shall hold him or herself out to be a Government employee, agent, or representative. No Contractor employee shall state orally or in writing at any time that he or she is acting on behalf of the Government. In all communications with third parties in connection with this contract, Contractor employees shall identify themselves as Contractor employees and specify the name of the company for which they work for. In all communications with other Government Contractors in connection with this contract, the Contractor employee shall state that they have no authority to in any way change the contract and that if the other Contractor believes this communication to be a direction to change their contract, they should notify the CO for that contract and not carry out the direction until a clarification has been issued by the CO.

(c) The Contractor shall insure that all of its employees working on this contract are informed of the substance of this clause. Nothing in this clause shall limit the Government's right in any way under any other provision of the contract, including those related to the Government's right to inspect and accept the services to be performed under this contract. The substance of this clause shall be included in all subcontracts at any tier.

## H.6 Personnel Requirements

### Clearances

All personnel shall have appropriate clearances prior to the commencement of work for work performed at the contractor's facility. The Contractor will adhere to TSA MD 2800.71 for submission of appropriate information before commencement of work. The Government will vet the Contractor's personnel if a current clearance is not active. Some Contractor personnel may access classified materials; in this case, the Contractor will require a current SECRET clearance. TSA Personnel Security will review and process all proposed contractor employee clearance information to ensure identification and compliance with security requirements and practices. No Contractor will commence working for a TTAC program until fully vetted and badged; this includes charging billable hours.

### H.6.1 Data Security Requirements

The Contractor shall be responsible for the security of: i) all data that is generated by the contractor on behalf of the TSA, ii) TSA data transmitted by the contractor, and iii) TSA data otherwise stored or processed by the contractor, regardless of who owns or controls the underlying systems while that data is under the contractor's control. All TSA data, including but not limited to Personally Identifiable Information (PII), Sensitive Security Information (SSI), Sensitive but Unclassified (SBU), and Critical Infrastructure Information (CII), shall be protected according to DHS and TSA security policies and mandates.

At the expiration of the contract, the contractor shall return all TSA information and IT resources provided to the contractor during the contract, and provide a certification that all assets containing or used to process TSA information have been sanitized in accordance with the TSA IT Security Policy Handbook, Computer Data Storage Disposition, Chapter 3, Section 17.

The COTR and the Office of the Chief Information Security Officer (OCISO) shall conduct reviews to ensure that the security requirements in the contract are implemented and enforced.

The Contractor shall ensure that its employees follow all policies and procedures governing physical, environmental, and information security described in the various TSA regulations pertaining thereto, good business practices, and the specifications, directives, and manuals for conducting work to generate the products as required by this contract. Personnel will be responsible for the physical security of their area and Government Furnished Equipment (GFE) issued to them under the provisions of the contract.

The Contractor solution shall follow all TSA and DHS policies, procedures, guidelines, and standards including:

- DHS MD 4300A Sensitive Systems Handbook - <https://dhsonline.dhs.gov/portal/jhtml/dc/sf/jhtml?doid=17606>
- TSA IT Security Policy - [http://topweb.tsa.dhs.gov/intraweb/assetlibrary/TSA\\_MD\\_1400\\_3\\_FINAL\\_051305.pdf](http://topweb.tsa.dhs.gov/intraweb/assetlibrary/TSA_MD_1400_3_FINAL_051305.pdf), Attachment to Policy - [http://topweb.tsa.dhs.gov/intraweb/assetlibrary/information\\_security\\_policy\\_handbook\\_8\\_20.pdf](http://topweb.tsa.dhs.gov/intraweb/assetlibrary/information_security_policy_handbook_8_20.pdf)
- TSA Privacy and Information Collection Policy - [http://tsaweb.tsa.dot.gov/intraweb/assetlibrary/TSA\\_MD\\_2100\\_2\\_FINAL3\\_050725.pdf](http://tsaweb.tsa.dot.gov/intraweb/assetlibrary/TSA_MD_2100_2_FINAL3_050725.pdf)

## **H.6.2 Privacy Training**

All Contractor personnel shall complete Secure Flight privacy training and Department of Homeland Security privacy training as part of the on-boarding process and thereafter must complete annual re-fresher privacy training. In addition, contractor personnel may be required to complete specific Secure Flight role-based privacy training. The Contractor shall ensure all personnel employed or assigned by the Contractor to support the Secure Flight program have received initial training, as well as annual recurring training thereafter.

## **H.6.3 Use and Sensitivity of Records**

All forms, records, reports and databases to which contractor personnel shall have access are the property of the TSA and are to be used solely for performing work described in this SOW. Contractor personnel shall not use, disclose, or retain any materials except as described in this SOW or as directed by the COTR. Each contract employee working on this contract shall be required to execute DHS Form 11000-6, DHS Non-Disclosure Agreement.

## **H.7 Pre employment Security Screening of Contractor Employees (July 2004)**

A. All employees assigned to work in a Transportation Security Administration (TSA) facility, inclusive of all airports nationwide, under this contract will be required to undergo a pre-employment security screening investigation prior to being permitted to report to work. The Contractor shall ensure that each employee meets the following criteria:

- 1) Contractor employees must be US Citizens or Legal Permanent Residents. Only US Citizens can access TSA's Information Technology (IT) Systems.
- 2) Contractor employees must undergo a favorable Background Investigation.
  - a) The following Background Investigation Security Paperwork must be completed by the contractor employee and given to the Contracting Officer's Technical Representative (COTR) at least thirty-five (35) days prior to the employment start date:
    - 1) Standard Form (SF) 86, Questionnaire for National Security. (The SF 86 is available at [www.opm.gov](http://www.opm.gov) under standard forms.)
    - 2) Form FD 258, Fingerprint Cards. (Two (2) original Fingerprint Cards are required to be completed and signed by the person taking the fingerprints. Fingerprints can be taken by local law enforcement agencies.)
    - 3) TSA Form 2201, Fair Credit Reporting Act Form.
      - a) The COTR will submit the Background Investigation Security Paperwork to the TSA Credentialing Program Office (CPO). This submission must take place at least thirty (30) days prior to the employment start date.
  - b) When a contractor employee voluntarily or involuntarily leaves his/her employment under a contract with TSA, the contractor must obtain and return the contractor employee's badge to the COTR on the contractor employee's last day of work at a TSA facility, inclusive of all airports nationwide. The COTR will return the contractor employee's badge to the Office of Security, Physical Security Division.

B. As stated above, contractor employees requiring staff-like access to TSA facilities on a recurring basis (more than 14 days per year) must have a favorably adjudicated fingerprint based criminal history record check, credit check and search of the Office of

Personnel Management, Security/Suitability Investigations Index, prior to being issued a permanent TSA Headquarters photo access pass. COTRs should advise the Office of Security, Physical Security Division, if the contract on which the contractor is working will last 90 days or less. Record checks may be conducted prior to or concurrently with a National Agency Check and Inquiries and Credit (NACIC) investigation. The NACIC is the minimum investigative standard for TSA contractor employees.

C. Contractor employees requiring temporary facility access for one to fourteen days or facility maintenance, routine delivery, etc., require only a fingerprint check and/or National Crime Information Center (NCIC) records check.

D. A contractor that participates in the National Industrial Security Program (NISP) may, through their COTR certify, in writing, that their employees have met the standard defined in Paragraph B. above.  
(End of Clause)

#### **H.8 Performance-Based Acquisition FAR Subpart 37.602**

The Performance Work Statement (PWS) i.e. the proposal dated January 5, 2009 submitted by the Contractor and the revision(s) dated February 25, 2009 in response to the Statement of Objectives in Section C. of this document are incorporated in full into the contract as Attachment 01. The contractor will work with the Government to assist in developing the submitted proposal and any revisions into a comprehensive PWS.

### **SECTION I – CONTRACT CLAUSES**

#### **52.252-6 Authorized Deviations in Clauses. (APR 1984)**

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of (DEVIATION) after the date of the clause.

(b) The use in this solicitation or contract of any [*insert regulation name*] (48 CFR [ ]) clause with an authorized deviation is indicated by the addition of (DEVIATION) after the name of the regulation.

#### **FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)**

This contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text can be accessed electronically at this internet address:  
<http://acquisition.gov/far/index.html>

52.203-5 Covenant Against Contingent Fees. (APR 1984)
52.203-6 Restrictions on Subcontractor Sales to the Government. (JUL 1995)
52.203-7 Anti-Kickback Procedures. (JUL 1995)
52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity. (JAN 1997)
52.203-10 Price or Fee Adjustment for Illegal or Improper Activity. (JAN 1997)
52.203-12 Limitation on Payments to Influence Certain Federal Transactions. (SEP 2005)

52.204-7 Central Contractor Registration. (JUL 2006)
52.204-9 Personal Identity Verification of Contractor Personnel. (JAN 2006)
52.209-6 Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (JAN 2005)
52.222-3 Convict Labor. (JUN 2003)
52.222-26 Equal Opportunity. (APR 2002)
52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans. (DEC 2001)
52.223-6 Drug-Free Workplace. (MAY 2001)
52.229-3 Federal, State, and Local Taxes. (APR 2003)
52.232-23 Assignment of Claims. (JAN 1986)
52.233-3 Protest after Award. (AUG 1996) Alternate I
52.239-1 Privacy or Security Safeguards. (AUG 1996)
52.242-3 Penalties for Unallowable Costs. (MAY 2001)
52.242-13 Bankruptcy. (JUL 1995)
52.245-5 Government Property (Cost-Reimbursement, Time-and-Material, or Labor-Hour Contracts). (MAY 2004)
52.246-25 Limitation of Liability - Services. (FEB 1997)
52.251-1 Government Supply Sources. (APR 1984)
52.202-1 Definitions. (JUL 2004)
52.203-3 Gratuities. (APR 1984)
52.215-10 Price Reduction for Defective Cost or Pricing Data. (OCT 1997)
52.215-11 Price Reduction for Defective Cost or Pricing Data - Modifications. (OCT 1997)
52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications. (OCT 1997)
52.216-8 Fixed Fee. (MAR 1997)
52.222-19 Child Labor - Cooperation with Authorities and Remedies. (JAN 2006)
52.225-13 Restrictions on Certain Foreign Purchases. (FEB 2006)
52.227-14 Rights in Data - General. (JUN 1987)
52.232-33 Payment by Electronic Funds Transfer - Central Contractor Registration. (OCT 2003)
52.215-8 Order of Precedence - Uniform Contract Format. (OCT 1997)
52.215-19 Notification of Ownership Changes. (OCT 1997)
52.224-1 Privacy Act Notification. (APR 1984)
52.224-2 Privacy Act. (APR 1984)
52.232-25 Prompt payment. (OCT 2003)
52.232-22 Limitation of Funds. (APR 1984)
52.244-6 Subcontracts for Commercial Items. (FEB 2006)
52.244-2 Subcontracts. (AUG 1998) Alternate I (Jun 2007).
52.249-6 Termination (Cost-Reimbursement). (MAY 2004) - Alternate II (SEP 1996)
52.219-14 Limitations on Subcontracting
52.204-6 Data Universal Numbering System (DUNS) Number. (OCT 2003)
52.243-2 -- Changes -- Cost-Reimbursement -- Alternate 1
52.233-4 Applicable Law for Breach of Contract Claim

52.242-1 Notice of Intent to Disallow Costs (April 1984)
52.217-9 Option to Extend the Term of the Contract (Mar 2000)
52.222-21 Prohibition of Segregated Facilities (Feb 1999)

**52.204-8 Annual Representations and Certifications.**

As prescribed in 4.1202, insert the following provision:

ANNUAL REPRESENTATIONS AND CERTIFICATIONS (JAN 2006)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is 561611 [*insert NAICS code*].

(2) The small business size standard is \$12.5 million [*insert size standard*].

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (c) of this provision applies.

(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (c) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

(i) Paragraph (c) applies.

(ii) Paragraph (c) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(c) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR CLAUSE #	TITLE	DATE	CHANGE
_____	_____	_____	_____

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of provision)

**52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data. (OCT 1997)**

(a) Exceptions from cost or pricing data.

(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following paragraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include—

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall prepare and submit cost or pricing data and supporting attachments in the following format: as prescribed in section L.7.5 of the Request for Proposal.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

(End of provision)

**52.216-24 Limitation of Government Liability. (Apr 1984)**

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding **\$2,891,246.00** dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is **\$2,891,246.00** dollars.

(End of clause)

**52.227-16 -- Additional Data Requirements (Jun 1987)**

(a) In addition to the data (as defined in the clause at 52.227-14, Rights in Data -- General clause or other equivalent included in this contract) specified elsewhere in this contract to be delivered, the Contracting Officer may, at any time during contract performance or within a period of 3 years after acceptance of all items to be delivered under this contract, order any data first produced or specifically used in the performance of this contract.

(b) The Rights in Data -- General clause or other equivalent included in this contract is applicable to all data ordered under this Additional Data Requirements clause. Nothing contained in this clause shall require the Contractor to deliver any data the withholding of which is authorized by the Rights in Data -- General or other equivalent clause of this contract, or data which are specifically identified in this contract as not subject to this clause.

(c) When data are to be delivered under this clause, the Contractor will be compensated for converting the data into the prescribed form, for reproduction, and for delivery.

(d) The Contracting Officer may release the Contractor from the requirements of this clause for specifically identified data items at any time during the 3-year period set forth in paragraph (a) of this clause.

(End of Clause)

**52.233-1 -- Disputes (July 2002)**

(a) This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613).

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d)

(1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.

(2)

(i) The contractor shall provide the certification specified in paragraph (d)(2)(iii) of this clause when submitting any claim exceeding \$100,000.

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Contractor."

(3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the offer.

(h) The Government shall pay interest on the amount found due and unpaid from

(1) the date that the Contracting Officer receives the claim (certified, if required); or

(2) the date that payment otherwise would be due, if that date is later, until the date of payment.

With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting

Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

(End of Clause)

#### **52.233-2 -- Service of Protest (Sep 2006)**

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from John A. Culmer, Jr. TSA-25 601 S. 12<sup>th</sup> St. Arlington, VA 22202.

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of Provision)

#### **3052.204-70 Security requirements for unclassified information technology resources.**

(a) The Contractor shall be responsible for Information Technology (IT) security for all systems connected to a DHS network or operated by the Contractor for DHS, regardless of location. This clause applies to all or any part of the contract that includes information technology resources or services for which the Contractor must have physical or electronic access to sensitive information contained in DHS unclassified systems that directly support the agency's mission.

(b) The Contractor shall provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract.

(1) Within [5] days after contract award, the contractor shall submit for approval its IT Security Plan, which shall be consistent with and further detail the approach contained in the offeror's proposal. The plan, as approved by the Contracting Officer, shall be incorporated into the contract as a compliance document.

(2) The Contractor's IT Security Plan shall comply with Federal laws that include, but are not limited to, the Computer Security Act of 1987 (40 U.S.C. 1441 et seq.); the Government Information Security Reform Act of 2000; and the Federal Information Security Management Act of 2002; and with Federal policies and procedures that include, but are not limited to, OMB Circular A-130.

(3) The security plan shall specifically include instructions regarding handling and protecting sensitive information at the Contractor's site (including any

information stored, processed, or transmitted using the Contractor's computer systems), and the secure management, operation, maintenance, programming, and system administration of computer systems, networks, and telecommunications systems.

(c) Examples of tasks that require security provisions include--

(1) Acquisition, transmission or analysis of data owned by DHS with significant replacement cost should the contractor's copy be corrupted; and

(2) Access to DHS networks or computers at a level beyond that granted the general public (e.g., such as bypassing a firewall).

(d) At the expiration of the contract, the contractor shall return all sensitive DHS information and IT resources provided to the contractor during the contract, and certify that all non-public DHS information has been purged from any contractor-owned system. Components shall conduct reviews to ensure that the security requirements in the contract are implemented and enforced.

(e) Within 6 months after contract award, the contractor shall submit written proof of IT Security accreditation to DHS for approval by the DHS Contracting Officer. Accreditation will proceed according to the criteria of the DHS Sensitive System Policy Publication, 4300A (Version 2.1, July 26, 2004) or any replacement publication, which the Contracting Officer will provide upon request. This accreditation will include a final security plan, risk assessment, security test and evaluation, and disaster recovery plan/continuity of operations plan. This accreditation, when accepted by the Contracting Officer, shall be incorporated into the contract as a compliance document. The contractor shall comply with the approved accreditation documentation.

(End of clause)

### **3052.204-71 Contractor employee access.**

(a) *Sensitive Information*, as used in this Chapter, means any information, the loss, misuse, disclosure, or unauthorized access to or modification of which could adversely affect the national or homeland security interest, or the conduct of Federal programs, or the privacy to which individuals are entitled under section 552a of title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense, homeland security or foreign policy. This definition includes the following categories of information:

(1) Protected Critical Infrastructure Information (PCII) as set out in the Critical Infrastructure Information Act of 2002 (Title II, Subtitle B, of the Homeland Security Act, Public Law 107-296, 196 Stat. 2135), as amended, the implementing regulations thereto (Title 6, Code of Federal Regulations, Part 29) as amended, the applicable PCII Procedures Manual, as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the PCII Program Manager or his/her designee);

(2) Sensitive Security Information (SSI), as defined in Title 49, Code of Federal Regulations, Part 1520, as amended, "Policies and Procedures of Safeguarding

and Control of SSI," as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the Assistant Secretary for the Transportation Security Administration or his/her designee);

(3) Information designated as "For Official Use Only," which is unclassified information of a sensitive nature and the unauthorized disclosure of which could adversely impact a person's privacy or welfare, the conduct of Federal programs, or other programs or operations essential to the national or homeland security interest; and

(4) Any information that is designated "sensitive" or subject to other controls, safeguards or protections in accordance with subsequently adopted homeland security information handling procedures.

(b) "Information Technology Resources" include, but are not limited to, computer equipment, networking equipment, telecommunications equipment, cabling, network drives, computer drives, network software, computer software, software programs, intranet sites, and internet sites.

(c) Contractor employees working on this contract must complete such forms as may be necessary for security or other reasons, including the conduct of background investigations to determine suitability. Completed forms shall be submitted as directed by the Contracting Officer. Upon the Contracting Officer's request, the Contractor's employees shall be fingerprinted, or subject to other investigations as required. All contractor employees requiring recurring access to Government facilities or access to sensitive information or IT resources are required to have a favorably adjudicated background investigation prior to commencing work on this contract unless this requirement is waived under Departmental procedures.

(d) The Contracting Officer may require the contractor to prohibit individuals from working on the contract if the government deems their initial or continued employment contrary to the public interest for any reason, including, but not limited to, carelessness, insubordination, incompetence, or security concerns.

(e) Work under this contract may involve access to sensitive information. Therefore, the Contractor shall not disclose, orally or in writing, any sensitive information to any person unless authorized in writing by the Contracting Officer. For those contractor employees authorized access to sensitive information, the contractor shall ensure that these persons receive training concerning the protection and disclosure of sensitive information both during and after contract performance.

(f) The Contractor shall include the substance of this clause in all subcontracts at any tier where the subcontractor may have access to Government facilities, sensitive information, or resources.

(End of clause)

#### **ALTERNATE II (JUN 2006)**

When the Department has determined contract employee access to sensitive information or Government facilities must be limited to U.S. citizens and lawful permanent residents, but the contract will not require access to IT resources, add the following paragraphs:

(g) Each individual employed under the contract shall be a citizen of the United States of America, or an alien who has been lawfully admitted for permanent residence as evidenced by a Permanent Resident Card (USCIS I-55 1). Any exceptions must be approved by the Department's Chief Security Officer or designee.

(h) Contractors shall identify in their proposals, the names and citizenship of all non-U.S. citizens proposed to work under the contract. Any additions or deletions of non-U.S. citizens after contract award shall also be reported to the contracting officer.

(End of clause)

**3052.209-70 Prohibition on contracts with corporate expatriates.**

**PROHIBITION ON CONTRACTS WITH CORPORATE EXPATRIATES  
(JUN 2006)**

(a) Prohibitions.

Section 835 of the Homeland Security Act, 6 U.S.C. 395, prohibits the Department of Homeland Security from entering into any contract with a foreign incorporated entity which is treated as an inverted domestic corporation as defined in this clause, or with any subsidiary of such an entity. The Secretary shall waive the prohibition with respect to any specific contract if the Secretary determines that the waiver is required in the interest of national security.

(b) Definitions. As used in this clause:

*Expanded Affiliated Group* means an affiliated group as defined in section 1504(a) of the Internal Revenue Code of 1986 (without regard to section 1504(b) of such Code), except that section 1504 of such Code shall be applied by substituting 'more than 50 percent' for 'at least 80 percent' each place it appears.

*Foreign Incorporated Entity* means any entity which is, or but for subsection (b) of section 835 of the Homeland Security Act, 6 U.S.C. 395, would be, treated as a foreign corporation for purposes of the Internal Revenue Code of 1986.

*Inverted Domestic Corporation.* A foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

(1) The entity completes the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership;

(2) After the acquisition at least 80 percent of the stock (by vote or value) of the entity is held—

(i) In the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or

(ii) In the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; and

(3) The expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

*Person, domestic, and foreign* have the meanings given such terms by paragraphs (1), (4), and (5) of section 7701(a) of the Internal Revenue Code of 1986, respectively.

(c) Special rules. The following definitions and special rules shall apply when determining whether a foreign incorporated entity should be treated as an inverted domestic corporation.

(1) *Certain Stock Disregarded.* For the purpose of treating a foreign incorporated entity as an inverted domestic corporation these shall not be taken into account in determining ownership:

(i) Stock held by members of the expanded affiliated group which includes the foreign incorporated entity; or

(ii) stock of such entity which is sold in a public offering related to the acquisition described in subsection (b)(1) of Section 835 of the Homeland Security Act, 6 U.S.C. 395(b)(1).

(2) *Plan Deemed In Certain Cases.* If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (b)(2) are met, such actions shall be treated as pursuant to a plan.

(3) *Certain Transfers Disregarded.* The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

(d) *Special Rule for Related Partnerships.* For purposes of applying section 835(b) of the Homeland Security Act, 6 U.S.C. 395(b) to the acquisition of a domestic partnership, except as provided in regulations, all domestic partnerships which are under common control (within the meaning of section 482 of the Internal Revenue Code of 1986) shall be treated as a partnership.

(e) Treatment of Certain Rights.

(1) Certain rights shall be treated as stocks to the extent necessary to reflect the present value of all equitable interests incident to the transaction, as follows:

- (i) warrants;
- (ii) options;
- (iii) contracts to acquire stock;
- (iv) convertible debt instruments; and
- (v) others similar interests.

(2) Rights labeled as stocks shall not be treated as stocks whenever it is deemed appropriate to do so to reflect the present value of the transaction or to disregard transactions whose recognition would defeat the purpose of Section 835.

(f) *Disclosure.* The offeror under this solicitation represents that [Check one]: \_\_\_ it is not a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73;

\_\_\_ it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it has submitted a request for waiver pursuant to 3009.104-74, which has not been denied; or

\_\_\_ it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it plans to submit a request for waiver pursuant to 3009.104-74.

(g) A copy of the approved waiver, if a waiver has already been granted, or the waiver request, if a waiver has been applied for, shall be attached to the bid or proposal.

(End of provision)

#### **52.204-2 -- Security Requirements.**

(a) This clause applies to the extent that this contract involves access to information classified "Confidential," "Secret," or "Top Secret."

(b) The Contractor shall comply with --

(1) The Security Agreement (DD Form 441), including the *National Industrial Security Program Operating Manual* (DoD 5220.22-M); and

(2) Any revisions to that manual, notice of which has been furnished to the Contractor.

(c) If, subsequent to the date of this contract, the security classification or security requirements under this contract are changed by the Government and if the changes cause an increase or decrease in security costs or otherwise affect any other term or condition of this contract, the contract shall be subject to an equitable adjustment as if the changes were directed under the Changes clause of this contract.

(d) The Contractor agrees to insert terms that conform substantially to the language of this clause, including this paragraph (d) but excluding any reference to the Changes clause of this contract, in all subcontracts under this contract that involve access to classified information.

(End of Clause)

**52.217-8 Option to Extend Services. (NOV 1999)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 15 days of expiration.

(End of clause)

**52.219-6 Notice of Total Small Business Set-Aside (June 2003)**

(a) *Definition.* "Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.

(b) *General.*

(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.

(2) Any award resulting from this solicitation will be made to a small business concern.

(c) *Agreement.* A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed \$25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.

(End of Clause)

**52.232-19 Availability of Funds for the Next Fiscal Year. (APR 1984)**

Funds are not presently available for performance under this contract beyond the current obligation period. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond the current obligation period, until funds are made available to the Contracting Officer for performance and until the Contractor receives

notice of availability, to be confirmed in writing by the Contracting Officer.

(End of clause)

**52.242-4 Certification of Final Indirect Costs. (JAN 1997)**

(a) The Contractor shall -

- (1) Certify any proposal to establish or modify final indirect cost rates;
- (2) Use the format in paragraph (c) of this clause to certify; and
- (3) Have the certificate signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the business segment of the Contractor that submits the proposal.

(b) Failure by the Contractor to submit a signed certificate, as described in this clause, may result in final indirect costs at rates unilaterally established by the Contracting Officer.

(c) The certificate of final indirect costs shall read as follows:

**Certificate of Final Indirect Costs**

This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:

1. All costs included in this proposal (identify proposal and date) to establish final indirect cost rates for (identify period covered by rate) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and
2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Certifying Official: \_\_\_\_\_

Title: \_\_\_\_\_

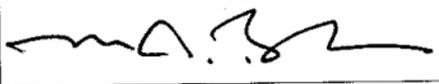
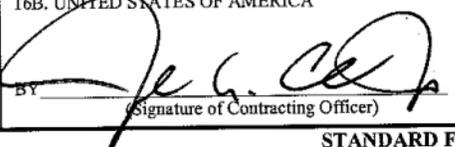
Date of Execution: \_\_\_\_\_

(End of clause)

**SECTION J - LIST OF ATTACHMENTS**

**Attachment 01:** Security Requirements

**Attachment 02:** Labor Rate Tables

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. P00001	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (if applicable)
6. ISSUED BY U.S. DHS, Transportation Security Administration Office of Acquisition, TSA-25 601 S. 12 <sup>th</sup> Street Arlington, VA 22202-4204	CODE OY9H3	7. ADMINISTERED BY (If other than Item 6) Marcelle Loveday Tel. 571-227-(b)(6) Fax: 571-227-1392 (b)(6)		CODE S2404A
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) <b>Federated IT, Inc.</b> 1200 G St. NW Suite 800 Washington, DC 20005-6705 Attn: Matthew Bucholz  Tel.: 202-434-8959 Fax: 202-478-2950 DUNS# 831678193		9A. AMENDMENT OF SOLICITATION NO.		
CODE OY9H3		9B. DATED (see item 11)		
FACILITY CODE		10A. MODIFICATION OF CONTRACT/ORDER NO. HSTS02-09-C-TTC822		
		10B. DATED (see item 13) 05/27/2009		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers		is extended.		is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: 12. By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or © By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or Letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
13. THIS ITEM APPLIES ONLY TO MODIFICATION OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGE SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
X D. OTHER (Specify type of modification and authority) Bi-lateral per FAR Clause 52.243-2 Changes—Cost-Reimbursement (Aug 1987)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return 1 Copy to the issuing office.				
SEE ATTACHED PAGES.				
15A. NAME AND TITLE OF SIGNER (Type or print) MATTHEW BUCHOLZ, PRESIDENT		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) John A. Culmer, Jr. Contracting Officer		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED 11 JUNE 09	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 11 Jun 09	

NSN 7540-01-152-8070

30-105

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITION UNUSABLE

Prescribed by GSA

FAR (48 CFR) 53.243

The purpose of modification P00001 to contract number HSTS02-09-C-TTC822 is to remove the following language under section H.6, Personnel Requirements, of the contract: "No Contractor will commence working for a TTAC program until fully vetted and badged; this includes charging billable hours," and replace it with the following language, "No Contractor will commence working for a TTAC program until fully vetted and badged. This prohibition shall not pertain to transition or training activities."

All other terms and conditions remain in full force and effect.

**End of Modification P00001**

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1 CONTRACT ID CODE	PAGE 1 OF 7 PAGES
2 AMENDMENT/MODIFICATION NO <b>Modification No. P00002</b>	3 EFFECTIVE DATE <b>See 16C</b>	4 REQUISITION PURCHASE REQ NO <b>2110200TTC512 &amp; TTC513</b>	5 PROJECT NO (If applicable)		
6 ISSUED BY U.S. Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20598-22202	CODE	7 ADMINISTERED BY (If other than Item 6) Audrey Taylor Phone: 571-227-(b)(6) Fax: 571-227-1397 (b)(6)	CODE		
8 NAME AND ADDRESS OF CONTRACTOR (No Street, county, State and ZIP Codes) <b>Federated IT, Inc 1200 G. Street, NW Suite 800 Washington, DC 20005-6705</b>				( )	9A AMENDMENT OF SOLICITATION NO
					9B DATED (SEE ITEM 11)
				X	10A MODIFICATION OF CONTRACT/ORDER NO <b>HSTS02-09-C-TTC822</b>
					10B DATED (SEE ITEM 13) <b>05/27/2009</b>
CODE	FACILITY CODE				

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copy of the amendment, (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified

12 ACCOUNTING AND APPROPRIATION DATA (If required)

**5-TV09XA000D.2009.TVC050.GE0000.2300.5700.570TTC.5703000200000000.252R (\$146,229)**

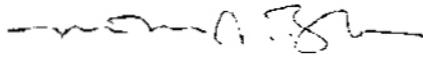
**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

( )	A THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A
	B THE ABOVE NUMBERED CONTRACT ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)
X	C THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF <b>52.243-2 -- Changes -- Cost-Reimbursement</b>
	D OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not, X is required to sign this document and return 1 copies to the issuing office.

14 DESCRIPTION OF AMENDMENT/MODIFICATION (Organized in UCF section headings including solicitation/contract subject matter where feasible.)

See 2<sup>nd</sup> page

15A NAME AND TITLE OF SIGNER (Type or print) <b>Matthew Bucholz, President</b>		16A NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Marlene Betler Contracting Officer</b>	
15B CONTRACTOR/OFFEROR   <small>(Signature of person authorized to sign)</small>	15C DATE SIGNED <b>April 7, 2010</b>	16B UNITED STATES OF AMERICA  BY  <small>(Signature of Contracting Officer)</small>	16C DATE SIGNED <b>4.7.10</b>

The purpose of this modification is to make administrative changes to the current contract based on negotiations, the stop work order and ATO, and the revised cost proposal which reflects the changes to the facility and the period of performance. As an attachment to this modification, a revised contract body will be provided for continuity. Therefore, the contract is revised as follows:

- 1) Based on the Stop Work order and the Authorization to Proceed issued 10 months later, a revised cost proposal was received and the period of performance has been revised accordingly. The contractor performed one month of services from May to June and has billed accordingly. In summary, the new POP for this contract will be as follows:

Base Period (1 MO):	May 27, 2009 through June 19, 2009
OPT 1 (12 MO):	February 16, 2010 through February 15, 2011
OPT 2 (12 MO):	February 16, 2011 through February 15, 2012
OPT 3 (12 MO):	February 16, 2012 through February 15, 2013
OPT 4 (12 MO):	February 16, 2013 through February 15, 2014
OPT 5 (11 MO):	February 16, 2014 through January 15, 2015

- 2) Based on the final revised cost proposal to include the new facility and changed POP, the total contract ceiling has been increased from \$26,038,181.68 by \$2,069,160.3 to \$28,107,342.05.
- 3) **The tables below replaces, in its entirety, Section B of the contract.** These negotiated changes reflect the lease of a new facility, adjustments to the hourly and indirect rates because the Period of Performance commenced nearly 10 months later, and de-obligation from CLIN 0004 ODCs (\$146,229), and adjustments due to the revised cost proposal.

No new funds are required to replace section B; available funding obligated under the base period will roll over to the newly adjusted option period. As of modification P0002, the current period of performance is option period 1. The Authorization to Proceed (ATO) was issued by the Contracting Officer and work commenced under this contract on February 8, 2010.

The contractor performed and billed one month of services prior to the "Stop Work Order" being issued. The total amount billed and paid by the Government was \$8,587.44. The below base year table reflects one month of services.

**Base Period: 1 month** from Date of Award  
**May 27, 2009 through June 19, 2009**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL NTE	FUNDED AMOUNT
0001	Labor	1	JB	_____	\$8,257.50	\$8,257.50
0002	Base Fee	1	Month	4%	\$330.29	\$330.29
0003	Award Fee Pool	1	JB	6%	\$0.00	\$0.00
0004	Other Direct Cost	1	JB	_____	\$0.00	\$0.00
<b>Base Period Total Funded</b>					<b>\$8,587.79</b>	<b>\$8,587.79</b>

**Option Period 1: 12 months**  
**February 16, 2010 through February 15, 2011**

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL NTE	FUNDED AMOUNT
1001	Labor	1	JB	_____	\$4,981,512.42	\$2,146,270.64
1002	Base Fee	12	Months	4%	\$91,830.46	\$91,500.17
1003	Award Fee Pool	1	JB	6%	\$137,745.69	\$137,745.69
1004	Other Direct Cost	1	JB	_____	\$1,031,318.94	\$360,912.71
<b>Base Period Total Funded</b>					<b>\$6,242,407.51</b>	<b>\$2,736,429.21</b>

\*\*Explanation of funding realignment for OPT 1: \$146,229 was de-obligation from CLIN 1004, reducing the obligation from \$507,141.71 to \$360,912.71. CLIN 1003 was reduced from \$267,835.1 to \$137,745.69; the difference of \$130,089.41 was realigned to CLIN 1001. CLIN 1002 was reduced from \$178,556.73 to \$91,830.46; the difference of \$86,726.27 was realigned to CLIN 1001. Lastly, \$8,257.50 and \$330.29 from the base year CLINs 0001 and 0002 respectively, was reduced from OPT 1 CLINs 1001 and 1002.

**Option Period 2: 12 months**  
February 16, 2011 through February 15, 2012

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
2001	Labor	1	JB	_____	\$5,143,213.95	TBD
2002	Base Fee	12	Months	4%	\$97,937.40	TBD
2003	Award Fee Pool	1	JB	6%	\$146,906.10	TBD
2004	Other Direct Cost	1	JB	_____	\$437,002.63	TBD
<b>Base Period Total Funded</b>					<b>\$5,825,060.08</b>	<b>TBD</b>

**Option Period 3: 12 months**  
February 16, 2012 through February 15, 2013

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
3001	Labor	1	JB	_____	\$4,618,197.78	TBD
3002	Base Fee	12	Months	4%	\$89,028.42	TBD
3003	Award Fee Pool	1	JB	6%	\$133,542.63	TBD
3004	Other Direct Cost	1	JB	_____	\$450,112.71	TBD
<b>Base Period Total Funded</b>					<b>\$5,290,881.54</b>	<b>TBD</b>

**Option Period 4: 12 months**  
February 16, 2013 through February 15, 2014

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
4001	Labor	1	JB	_____	\$4,717,602.13	TBD
4002	Base Fee	12	Months	4%	\$91,168.73	TBD
4003	Award Fee Pool	1	JB	6%	\$136,753.09	TBD
4004	Other Direct Cost	1	JB	_____	\$463,616.09	TBD
<b>Base Period Total Funded</b>					<b>\$5,409,140.04</b>	<b>TBD</b>

**Option Period 5: 11 months**  
 February 16, 2014 through January 15, 2015

CLIN	DESCRIPTION	QTY	UNIT	RATE	TOTAL	FUNDED AMOUNT
5001	Labor	1	JB	_____	\$4,637,350.49	TBD
5002	Base Fee	11	Months	4%	\$89,991.13	TBD
5003	Award Fee Pool	1	JB	6%	\$134,986.69	TBD
5004	Other Direct Cost	1	JB		\$477,527.58	TBD
<b>Base Period Total Funded</b>					<b>\$5,339,855.89</b>	<b>TBD</b>

*The following revisions apply to various sections of the contract as noted below. Attached to this modification is a clean version of the contract for conformity.*

1) Section VI. Period and Place of Performance as identified in the SOO:

**From:** "Prior to contract start date, the contractor facility must be accredited in accordance with DD254 standards at the TOP SECRET level." (Second sentence, second paragraph)

**To:** "Prior to contract start date, contractor personnel access to classified information at the TOP SECRET level must be accredited in accordance with DD254 and is required to support TTAC programs.

2) Section F.3 Place of Performance:

**From:** 4511 Singer Court, Chantilly, VA

**To:** "3076 Centreville Road, suite 200, Herndon, VA 20171.

(a) The Contractor shall access classified information within Suite 200, second floor location of identified place of performance at a later date determined by the TSA Program Office. The storage and safeguarding of classified material at this location will be approved by the DHS prior to contractor performance.

(b) The Contractor will store and safeguard classified material in accordance with Executive Order 13526, *Classified National Security Information*, at the TOP SECRET level in support of program office requirements at a date determined by the TSA Program Office. Additionally, in accordance with the Department of Defense (DOD) Manual 5220.22-M, "National Industrial Security Program Operating Manual (NISPO) for Safeguarding Classified Information," Chapter 5, Section 5-502, the contractor is authorized to disclose

TSA classified information to cleared subcontractors when access is necessary to perform tasks or services for fulfillment of a prime or sub- contract. In accordance with the NISPOM, Chapter 5, Section 5-506, the contractor shall not disclose classified information received or generated under this TSA contract to any other Federal agency unless specifically authorized in writing by the TSA Program Office that has classification management jurisdiction over the information and the TSA COTR. In accordance with the NISPOM, Chapter 5, Section 5-509, the contractor shall not disclose classified information to another contractor except to support a contract, subcontract or other TSA purpose.”

3) Section VIII. Constraints:

**Insert:** “(J) Security Classification Guide

No DHS/TSA Security Classification Guide is applicable to this contract since the classified information originates from other federal agencies. For example, the Transportation Threat Assessment and Credentialing (TTAC) Program utilizes information obtained and shared from other U.S. government and law enforcement agencies.”

4) Section G.1 Contract Administration Data:

**From:** Contracting Officer (CO): John Culmer, 571-227-(b)(6)  
Contracting Specialist (CS): Marcelle Loveday, 571-227-(b)(6)  
Contracting Officer Technical Representative (COTR): Christine Tomasson

**To:** Contracting Officer (CO): Marlene Betler, 571-227-(b)(6) etc  
Contracting Specialist (CS): Audrey Taylor, 571-277-(b)(6) etc  
Contracting Officer Technical Representative (COTR): Jill Smith, etc

5) Section H.2 Authorized Changes Only By The Contracting Officer

**From:** John Culmer

**To:** Marlene Betler

6) Section H.6.2 Privacy Training

**From:** “ All Contractor personnel shall complete Secure Flight privacy training and Department of Homeland Security privacy training as part of the on-boarding process and thereafter must complete annual re-fresher privacy training. In addition, contractor personnel may be required to complete specific Secure Flight role-based privacy training. The Contractor shall ensure all personnel employed or assigned by the Contractor to support the Secure Flight program have received initial training, as well as annual recurring training thereafter.”

**To:** “ All Contractor personnel shall complete TSA privacy training as part of the on-boarding process and thereafter must complete annual re-fresher privacy training. In addition, contractor personnel may be required to complete specific TSA role-based

privacy training. The Contractor shall ensure all personnel employed or assigned by the Contractor to support the TTAC programs have received initial security and privacy training, as well as annual recurring training thereafter.”

7) Section III. Scope

**From:** Contractor shall include a basis of estimate that identifies and explains changes in population and corresponding caseloads.

**To:** Contractor shall include a basis of estimate that identifies and explains changes in population and corresponding caseloads within 30 days of receipt of a written request from the Government for surge support or increased populations.

8) Section IV. Objectives and Requirements

**From:** These are the absolute minimum acceptable accuracy rates and output per program.

**To:** These are the minimum acceptable accuracy rates and output per program.

**Add the following sentence below table on page 7:** “If there are not sufficient number of cases to meet the average cases per day requirement identified in the AQL table above, both parties shall agree to an acceptable number of cases per day requirement for a specified period of time or adjust contract staffing levels accordingly.”

**From:**

- The contractor does not meet the minimal number of cases/day per initial adjudicator for a period of four (4) consecutive weeks for any program; or
- The contractor does not meet the AQL for a period of four (4) consecutive weeks for any program; or
- The contractor does not meet the Overall Case Production AQL for a period of four (4) consecutive weeks for any program.
- The contractor may request a waiver from non-compliance based on extenuating circumstances to the COTR when not in compliance, but before the period of four (4) consecutive weeks has expired.

**To:**

- The contractor does not meet the minimal number of cases/day per initial adjudicator for a period of one (1) quarter for any program; or
- The contractor does not meet the AQL for a period of one (1) quarter for any program; or
- The contractor does not meet the Overall Case Production AQL for a period of one (1) quarter for any program.
- The contractor may request a waiver from non-compliance based on extenuating circumstances to the COTR when not in compliance, but before the period of one (1) quarter has expired.

9) Section H.6 Personnel Requirements

**Delete** last sentence of paragraph:

“No Contractor will commence working for a TTAC program until fully vetted and badged;

this includes charging billable hours.”

10) Add Section H.9 Requirements

H.9 SECURITY OF SYSTEMS HANDLING PERSONALLY IDENTIFIABLE INFORMATION AND PRIVACY INCIDENT REPOSE

(a) Definitions.

“Breach” (may be used interchangeably with “Privacy Incident”) as used in this clause means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar situation where persons other than authorized users, and for other than authorized purpose, have access or potential access to Personally Identifiable Information, in usable form whether physical or electronic.

“Personally Identifiable Information (PII)” as used in this clause means any information that permits the identity of an individual to be directly or indirectly inferred, including any other information that is linked or linkable to that individual regardless of whether the individual is a citizen of the United States, legal permanent resident, or a visitor to the United States.

Examples of PII include: name, date of birth, mailing address, telephone number, Social Security Number (SSN), email address, zip code, account numbers, certificate/license numbers, vehicle identifiers including license plates, uniform resource locators (URLs), Internet protocol addresses, biometric identifiers (e.g., fingerprints), photographic facial images, or any other unique identifying number or characteristic, and any information where it is reasonably foreseeable that the information will be linked with other information to identify the individual.

“Sensitive Personally Identifiable Information (Sensitive PII)” as used in this clause is a subset of Personally Identifiable Information, which if lost, compromised or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual. , Complete social security numbers (SSN), alien registration numbers (A-number) and biometric identifiers (such as fingerprint, voiceprint, or iris scan) are considered Sensitive PII even if they are not coupled with additional PII. Additional examples include any groupings of information that contains an individual’s name or other unique identifier plus one or more of the following elements:

- (1) Driver’s license number, passport number, or truncated SSN (such as last 4 digits)
- (2) Date of birth (month, day, and year)
- (3) Citizenship or immigration status
- (4) Financial information such as account numbers or Electronic Funds Transfer Information
- (5) Medical Information
- (6) System authentication information such as mother’s maiden name, account passwords or personal identification numbers (PIN)

Other Personally Identifiable information may be “sensitive” depending on its context, such as a list of employees with less than satisfactory performance ratings or an unlisted home address or phone number. In contrast, a business card or public telephone directory of agency

employees contains Personally Identifiable Information but it is not sensitive.

(b) **Systems Access.** Work to be performed under this contract requires the handling of Sensitive PII. The contractor shall provide the Government access to, and information regarding systems the contractor operates on behalf of the Government under this contract, when requested by the Government, as part of its responsibility to ensure compliance with security requirements, and shall otherwise cooperate with the Government in assuring compliance with such requirements. Government access shall include independent validation testing of controls, system penetration testing by the Government, Federal Information Security Management Act (FISMA) data reviews, and access by agency Inspectors General for its reviews.

(c) **Systems Security.** In performing its duties related to management, operation, and/or access of systems containing Sensitive PII under this contract, the contractor, its employees and subcontractors shall comply with applicable security requirements described in DHS Sensitive System Publication 4300A or any replacement publication and rules of conduct as described in TSA MD 3700.4<sup>1</sup>

In addition, use of contractor-owned laptops or other media storage devices to process or store PII is prohibited under this contract until the contractor provides, and the contracting officer in coordination with CISO approves, written certification by the contractor that the following requirements are met:

- (1) Laptops employ encryption using a NIST Federal Information Processing Standard (FIPS) 140-2 or successor approved product;
- (2) The contractor has developed and implemented a process to ensure that security and other applications software are kept current;
- (3) Mobile computing devices utilize anti-viral software and a host-based firewall mechanism;
- (4) When no longer needed, all removable media and laptop hard drives shall be processed (i.e., sanitized, degaussed, or destroyed) in accordance with DHS security requirements.
- (5) The contractor shall maintain an accurate inventory of devices used in the performance of this contract;
- (6) Contractor employee annual training and rules of conduct/behavior shall be developed, conducted/issued, and acknowledged by employees in writing. Training and rules of conduct shall address at minimum:
  - (i) Authorized and official use;
  - (ii) Prohibition against use of personally-owned equipment to process, access, or store Sensitive PII;
  - (iii) Prohibition against access by unauthorized users and unauthorized use by authorized users; and
  - (iv) Protection of Sensitive PII;
- (7) All Sensitive PII obtained under this contract shall be removed from contractor-owned information technology assets upon termination or expiration of contractor work. Removal

must be accomplished in accordance with DHS Sensitive System Publication 4300A, which the contracting officer will provide upon request. Certification of data removal will be performed by the contractor's Project Manager and written notification confirming certification will be delivered to the contracting officer within 15 days of termination/expiration of contractor work.

(d) **Data Security.** Contractor shall limit access to the data covered by this clause to those employees and subcontractors who require the information in order to perform their official duties under this contract. The contractor, contractor employees, and subcontractors must physically secure Sensitive PII when not in use and/or under the control of an authorized individual, and when in transit to prevent unauthorized access or loss. When Sensitive PII is no longer needed or required to be retained under applicable Government records retention policies, it must be destroyed through means that will make the Sensitive PII irretrievable.

The contractor shall only use Sensitive PII obtained under this contract for purposes of the contract, and shall not collect or use such information for any other purpose without the prior written approval of the contracting officer. At expiration or termination of this contract, the contractor shall turn over all Sensitive PII obtained under the contract that is in its possession to the Government.

(e) **Breach Response.** The contractor agrees that in the event of any actual or suspected breach of PII (i.e., loss of control, compromise, unauthorized disclosure, access for an unauthorized purpose, or other unauthorized access, whether physical or electronic), it shall immediately, and in no event later than one hour of discovery, report the breach to the contracting officer, the Contracting Officer's Technical Representative (COTR), and the TSA Director of Privacy Policy & Compliance (TSAprivacy@dhs.gov). The contractor is responsible for positively verifying that notification is received and acknowledged by at least one of the foregoing Government parties.

(f) **Personally Identifiable Information Notification Requirement.** The contractor has in place procedures and the capability to promptly notify any individual whose Sensitive PII was, or is reasonably believed to have been, breached, as determined appropriate. The method and content of any notification by the contractor shall be coordinated with, and subject to the prior approval of the Government, based upon a risk-based analysis conducted by the Government in accordance with DHS Privacy incident Handling Guidance. Notification shall not proceed unless the Government has determined that: (1) notification is appropriate; and (2) would not impede a law enforcement investigation or jeopardize national security.

Subject to Government analysis of the breach and the terms of its instructions to the contractor regarding any resulting breach notification, a method of notification may include letters to affected individuals sent by first class mail, electronic means, or general public notice, as approved by the Government. At minimum, a notification should include: (1) a brief description of how the breach occurred; (2) a description of the types of personal information involved in the breach; (3) a statement as to whether the information was encrypted or protected by other means; (4) steps an individual may take to protect themselves; (5) what the agency is doing, if anything, to investigate the breach, to mitigate losses, and to protect against any further breaches; and (6) point of contact information identifying who affected individuals may contact for further information.

In the event that a PII breach occurs as a result of the violation of a term of this contract by the contractor or its employees, the contractor shall, as directed by the contracting officer and at no cost to the Government, take timely action to correct or mitigate the violation, which may include providing notification and/or other identity protection services to affected individuals for a period not to exceed 12 months from discovery of the breach. Should the Government elect to provide and/or procure notification or identity protection services in response to a breach, the contractor will be responsible for reimbursing the Government for those expenses.

(g) Pass-Through of Security Requirements to Subcontractors. The contractor agrees to incorporate the substance of this clause, its terms and requirements, in all subcontracts under this contract, and to require written subcontractor acknowledgement of same. Violation by a subcontractor of any provision set forth in this clause will be attributed to the contractor.

**All other terms, conditions, and clauses remain in full force and effect.**

**End Modification P00002**

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1 7
2. AMENDMENT/MODIFICATION NO. <b>Modification No. P00003</b>	3. EFFECTIVE DATE <b>See 16C</b>	4. REQUISITION/PURCHASE REQ. NO. <b>2110200TTC522</b>	5. PROJECT NO. (If applicable)	
6. ISSUED BY U.S. Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20598-22202	CODE	7. ADMINISTERED BY (If other than Item 6) Audrey Taylor Phone: 571-227-(b)(6) Fax: 571-227-1392 (b)(6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)  <b>Federated IT, Inc 1200 G. Street, NW Suite 800 Washington, DC 20005-6705</b>			(9)	9A. AMENDMENT OF SOLICITATION NO.
				9B. DATED (SEE ITEM 11)
			X	10A. MODIFICATION OF CONTRACT/ORDER NO. <b>HSTS02-09-C-TTC822</b>
				10B. DATED (SEE ITEM 13) <b>05/27/2009</b>
CODE	FACILITY CODE			

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

**5TV10XA000D2010TVC050GE000023005700570TTC5703000200000000/252R \$0.00**

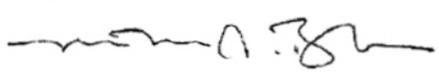
**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS,  
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

(9)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	<b>52.243-2 -- Changes -- Cost-Reimbursement</b>
	D. OTHER Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

See 2<sup>nd</sup> page

15A. NAME AND TITLE OF SIGNER (Type or print) <b>Matthew Bucholz, President</b>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Marlene Betler Contracting Officer</b>	
15B. CONTRACTOR/OFFEROR    (Signature of person authorized to sign)	15C. DATE SIGNED <b>April 27, 2010</b>	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED <b>4.28.10</b>

The purpose of this modification is to make administrative changes to the current contract by deleting, adding, or replacing the following sections identified below:

**SOO Section VI. Period and Place of Performance**

**DELETE:** "Prior to contract start date, contractor personnel access to classified information at the TOP SECRET level must be accredited in accordance with DD254 and is required to support TTAC programs."

**ADD:** "Contract place of performance will be Federated IT 3076 Centreville Road, Suite 200, Herndon, VA 20171 (Offsite Location) and TSA Government locations (Arlington, VA, Annapolis Junction, MD, Colorado Springs, CO).

**FROM:**

- (a) The Contractor shall access classified information within Suite 200, second floor location of identified place of performance at a later date determined by the TSA Program Office. The storage and safeguarding of classified material at this location will be approved by the DHS prior to contractor performance.
- (b) The Contractor will store and safeguard classified material in accordance with Executive Order 13526, *Classified National Security Information*, at the TOP SECRET level in support of program office requirements at a date determined by the TSA Program Office. Additionally, in accordance with the Department of Defense (DOD) Manual 5220.22-M, "National Industrial Security Program Operating Manual (NISPOM) for Safeguarding Classified Information," Chapter 5, Section 5-502, the contractor is authorized to disclose TSA classified information to cleared subcontractors when access is necessary to perform tasks or services for fulfillment of a prime or sub- contract. In accordance with the NISPOM, Chapter 5, Section 5-506, the contractor shall not disclose classified information received or generated under this TSA contract to any other Federal agency unless specifically authorized in writing by the TSA Program Office that has classification management jurisdiction over the information and the TSA COTR. In accordance with the NISPOM, Chapter 5, Section 5-509, the contractor shall not disclose classified information to another contractor except to support a contract, subcontract or other TSA purpose."

**TO:**

- (a) The Contractor may have access to classified information at TSA Headquarters (HQ). The storage and safeguarding of classified material at this location is approved by the DHS.
- (b) The Contractor will store and safeguard classified material in accordance with Executive Order 13526, *Classified National Security Information*, at the TOP SECRET level in support of program office requirements at TSA HQ. Additionally, in accordance with the Department of Defense (DOD) Manual 5220.22-M, "National Industrial Security Program Operating Manual (NISPOM) for Safeguarding Classified Information," Chapter 5, Section 5-502, the contractor is authorized to disclose TSA classified information to cleared subcontractors when access is necessary to perform tasks or services for fulfillment of a prime or sub- contract. In accordance with the NISPOM, Chapter 5, Section 5-506, the contractor shall not disclose classified information received or generated under this TSA contract to any other Federal agency unless specifically authorized in writing by the TSA Program Office that has classification management jurisdiction over the information and the TSA COTR. In accordance with the NISPOM, Chapter 5, Section 5-509, the contractor shall not disclose classified information to another contractor except to support a contract, subcontract or other TSA purpose."

**SOO Section VIII. Constraints**  
**C) Infrastructure Support**

**REPLACE first sentence, first bullet:**

**FROM:** "The contractor shall provide a secure facility in which to perform STAs.

**TO:** "The contractor shall provide a TSA approved facility in which to perform STAs."

**DELETE last sentence, first bullet:** "Prior to contract start date, the contractor facility must be accredited in accordance with DD254 standards at the TOP SECRET level."

**REPLACE first sentence, second bullet:**

**FROM:** "The contractor shall provide a secure information technology and facilities to support the capabilities required in this solicitation."

**TO:** "The contractor shall provide TSA approved information technology and facilities to support the capabilities required in this contract."

**G) Personnel Security**

**DELETE Section in its entirety and REPLACE with:**

"Contractor personnel shall possess a minimum of SECRET clearance and/or possess an Interim SECRET for all adjudicators and staff performing adjudication and post adjudication services at the Adjudication Center located in Herndon, VA. Contractor will not have access to or safeguarding of any classified information at this location.

Contractor personnel shall possess a minimum of TOP SECRET clearance and/or possess an Interim TOP SECRET for all adjudicators and staff performing adjudication and post adjudication services at TSA Headquarters office located in Arlington, VA. A current TOP SECRET clearance is required for contractor staff performing adjudication support and risk assessment services in the TTAC Investigation Referrals and Analysis (IR&A) Division located at TSA HQ. Access and safeguarding of any classified information will occur at TSA HQ under TSA oversight.

The contractor is responsible for handling and marking "For Official Use Only" (FOUO) information in accordance with DHS Directive (MD 11042.1) "Safeguarding Sensitive but Unclassified FOUO Information." The contractor is responsible for handling and marking "Sensitive Security Information" (SSI) in accordance with DHS Directive (MD 11056.1) Sensitive Security Information. The contractor is responsible for signing DHS Form 11000-6, Sensitive But Unclassified (SBU) Information Non-Disclosure Agreement upon initiation of work for TSA. The contractor will provide a copy to the COTR for the contract file.

End of Modification P0003

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1 CONTRACT ID CODE	PAGE OF PAGES 1 2	
2 AMENDMENT/MODIFICATION NO <b>Modification No. P00004</b>		3 EFFECTIVE DATE <b>See 16C</b>	4 REQUISITION/PURCHASE REQ NO <b>2110200TTC330 / 2110200TTC459</b>		5 PROJECT NO (if applicable)
6 ISSUED BY U.S. Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20528-22202		CODE	7 ADMINISTERED BY (if other than item 6) Audrey Taylor Phone: 571-227-(b)(6) Fax: 571-227-1392 (b)(6)		CODE
8 NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP Code) <b>Federated IT, Inc 1200 G Street, NW Suite 800 Washington, DC 20005-6705</b>			9A AMENDMENT OF SOLICITATION NO	9B DATED (SEE ITEM 10)	
CODE			X 10A MODIFICATION OF CONTRACT/ORDER NO <b>HSTS02-09-C-TTC822</b>		10B DATED (SEE ITEM 13) <b>05/27/2009</b>
FACILITY CODE <b>3AX12</b>					

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copy of the amendment, (b) By acknowledging receipt of this amendment on each copy of the offer submitted, or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12 ACCOUNTING AND APPROPRIATION DATA (if required)

See page 2

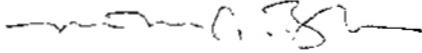
**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14**

(4) A	THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A
B	THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(d)
X C	THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF <b>52.243-2 -- Changes -- Cost-Reimbursement</b>
D	OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_ copies to the issuing office

14 DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UUF section headings, including solicitation/contract subject matter where feasible)

See 2<sup>nd</sup> page

15A. NAME AND TITLE OF SIGNER (Type or print) <b>Matthew Bucholz, President</b>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Marlene Betler Contracting Officer</b>	
15B. CONTRACTOR/OFFEROR 	15C. DATE SIGNED <b>4 May 2010</b>	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED <b>5-May-2010</b>

NSN 7540-01-152-8070  
PREVIOUS EDITION UNUSABLE

30-105  
Computer Generated

STANDARD FORM 36 (REV 10-83)  
Prescribed by GSA  
FAR (48 CFR) 53.243

HSTS02-09-C-TTC822  
Modification P00004  
Page 1 of 2

The purpose of modification P00004 is to incorporate the DD254, IR&AFAA SOW and incrementally fund this contract. Therefore the contract is modified as follows:

1. The attached DD254 is hereby incorporated into this contract.
2. The attached SOW for IR&AFAA support is hereby incorporated into this contract.
3. Incrementally fund this contract as follows:

CLIN	DESCRIPTION	QTY	UNIT	RATE	From	By	To	TOTAL NET
1001	Labor	1	JB		\$2,140,270.64	\$2,670,960.19	\$4,826,230.83	\$4,081,512.42
1002	Base Fee	12	Months	4%	\$91,500.17	\$330.29	\$91,830.46	\$91,830.46
1003	Award Fee Pool	1	JB	6%	\$137,745.69	\$0.00	\$137,745.69	\$137,745.69
1004	Other Direct Cost	1	JB		\$300,912.71	\$70,806.70	\$431,219.41	\$1,031,318.94
Base Period Total Funded					\$2,739,429.21	\$2,750,897.18	\$5,487,026.59	\$6,242,407.51

4. The accounting and appropriation data are as follows.

21102001FC330	51X101A000R20101VC000RA0125230057005701TC-5704000400000000-252R-RTV101RA0125A-FAA PII-0001-RITFAWA10N00006 \$345,000
21102001FC459	51X09XB010D20101VC040IS0003230057005701TC-5703000100000000-2510-1SA DIRECT-DEF TASK-ID \$2,405,597

5. All other terms and conditions remain in full force and effect.

End of Modification P00004

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. CONTRACT ID CODE	PAGE OF PAGES
				1	2
2. AMENDMENT/MODIFICATION NO. <b>Modification No. P00005</b>	3. EFFECTIVE DATE <b>06/23/2010</b>	4. REQUISITION/PURCHASE REQ. NO. <b>2110200TTC479</b>	5. PROJECT NO. (If applicable)		
6. ISSUED BY U.S. Department of Homeland Security Transportation Security Administration 701 South 12 <sup>th</sup> Street Arlington, VA 20598-22202		7. ADMINISTERED BY (If other than Item 6) Audrey Taylor Phone: 571-227-(b)(6) Fax: 571-227-1392 (b)(6)		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)  <b>Federated IT, Inc 1200 G. Street, NW Suite 800 Washington, DC 20005-6705</b>				9A. AMENDMENT OF SOLICITATION NO.	
				9B. DATED (SEE ITEM 11)	
				<b>X</b> 10A. MODIFICATION OF CONTRACT/ORDER NO. <b>HSTS02-09-C-TTC822</b>	
				10B. DATED (SEE ITEM 13) <b>05/27/2009</b>	
CODE		FACILITY CODE			

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

**See page 2**

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

( )	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A
<b>X</b>	<b>52.243-2 -- Changes -- Cost-Reimbursement</b>
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

**See 2<sup>nd</sup> page**

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Marlene Betler Contracting Officer</b>		
15B. CONTRACTOR/OFFEROR  <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY  <i>(Signature of Contracting Officer)</i>	16C. DATE SIGNED <b>6.23.10</b>