



HSO SPOTLIGHT No. 02-2011: Contractor Preemployment Screening

What is the issue?

Required Preemployment Screening for Contractors Applying for New “Q” and “L” Security Clearances

Why do we need this?

To Comply with Title 48, Code of Federal Regulations, Part 952.204-2 (48 CFR Part 952.204-2)

Who is impacted?

Contractors Applying for New Q and L Security Clearances

What does the HSO need to do?

Understand What Documentation Must Accompany Requests for New Security Clearances from Contractors

NOTICE: The information in all *HSO Spotlights* applies only at DOE Headquarters facilities in the Washington, DC area. They are not intended to apply at DOE field sites, which may have entirely different local procedures.

In May 2009, all DOE contracting officers were notified that a new Department of Energy Acquisition Regulation (DEAR) clause was to be implemented. The new DEAR clause is described in 48 CFR Part 952.204-2. In summary, the new DEAR clause required that contractor employees applying for a new Q or L security clearance must undergo preemployment screening by their employer. The contracting company is required to conduct preemployment checks and evaluate the results in accordance with their personnel policies. This requirement, as well as the requirement for contractors applying for a new security clearance to undergo drug testing, is defined in 48 CFR 904.

Contractors who will be applying for a new Q or L security clearance must undergo preemployment screening by their employing company. The screening must include:

- Verifying the applicant's educational background, including a high school diploma obtained within the past 5 years, and degrees or diplomas granted by an institution of higher learning,
- Contacting the individual's employer(s) for the past 3 years,
- Contacting the individual's listed personal references,
- Conducting local law enforcement checks when such checks are not prohibited by state or local law or regulation and the individual resides in the jurisdiction where the contractor is located,
- Conducting a credit check, and
- Conducting other checks that may be appropriate for the individual applicant.

The results of the preemployment screening must be documented by the company employing the contractor applicant. Contractors submitting new security clearance applications to DOE Headquarters must provide a letter to the Office of Headquarters Personnel Security Operations that states:

- A preemployment review was conducted,
- The date(s) the review was conducted,
- The identity of each entity that provided information concerning the individual,
- Certification that the information was reviewed by the employing contractor in accordance with all applicable laws, regulations, and Executive Orders, including those governing the processing and privacy of an individual's information collected during the review, and
- Certification that all information collected during the review was reviewed and evaluated in accordance with the contractor's personnel policies.

Please note that the contractor preemployment screening requirement is in addition to the requirement for contractor drug testing as described in *HSO Spotlight* No. 0004-2009, Drug Tests. Contractors can be reimbursed by DOE for the costs associated with preemployment and drug screening.

The requirement for preemployment screening does not extend to contractors applying for a Q or L security clearance through reciprocity or to contractors eligible for reinstatement of a prior clearance, provided their background investigation was completed less than 10 years ago. If the background investigation was conducted more than 10 years ago, both the preemployment and drug screenings are required.

On July 31, 2010, The Office of Procurement and Assistance Management issued a Policy Flash (Policy Flash 2010-75) to all Procurement Directors reminding them that these requirements must be included in all contracts that require employees to have access to classified information. On July 31, 2011, the Office of Headquarters Personnel Security Operations will no longer accept clearance applications that do not contain the above described preemployment screening verification. As of that date, all contractor security clearance applications must include a letter to the Office of Headquarters Personnel Security operations reporting the favorable results of preemployment and drug

screening. Applications that do not include the letter will be returned without action. To assist contractors in meeting this requirement, a sample letter to the Office of Headquarters Personnel Security Operations is attached to this *HSO Spotlight*.

Questions regarding this *HSO Spotlight* should be directed to Stephanie Scott Grimes, Director, Office of Headquarters Personnel Security Operations, at (301) 903-4175.

HSO Program Manager Comment: This policy is included in the Headquarters Facilities Master Security Plan that is currently under revision.

ATTACHMENT

Sample Letter Reporting Results of Contractor Preemployment Checks and Drug Testing

Contractor Letterhead

Date

Director, Office of Headquarters Personnel Security Operations
Office of Headquarters Security Operations
Office of Health, Safety and Security
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Sir/Madam:

This letter is to inform you that (name of person) is an employee of this company and is applying for a Department of Energy security clearance. He/she has successfully completed preemployment screening and drug testing requirements described in Title 10, Code of Federal Regulations (CFR), Part 707, and Title 48, CFR, Part 952.204-2.

The preemployment checks were conducted by (name of company providing preemployment screening services) and included verification of the employee's educational background, contact with his/her employer(s) for the past 3 years, contact with listed personal references, permissible local law enforcement checks, a credit check, and other checks routinely performed by our company. These checks were conducted in accordance with all applicable laws, regulations, and Executive Orders, including those governing the processing and privacy of the employee's information collected during the review. The results of these checks were reviewed on (date of review) and evaluated in accordance with our company personnel policies. (Name of person) was determined to be eligible for employment in a position that would require a security clearance.

(Name of person) was tested for the use of illegal substances. A copy of the laboratory report with favorable test results is enclosed with this letter.

If you have any questions concerning these matters, please call me at (202) 555-5555.

Sincerely,

Name
Facility Security Officer (or other official)
Name of company

Enclosure (drug testing laboratory report)