Department of Energy
Acquisition Regulation

No. AL-2005-10
Date 07/07/05

ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the DOE Procurement Executive.

Subject: Implementation of HSPD-12

References: **Homeland Security Presidential Directive 12 (HSPD-12)**

Federal Information Processing Standard Publication 201 (FIPS Pub 201)

When is this Acquisition Letter (AL) Effective?

This AL is effective upon issuance.

When does this AL Expire?

This AL remains in effect until superseded or canceled.

Who is the Point of Contact?

Contact Robert M. Webb of the Office of Procurement and Assistance Policy at (202)287-1338 or Robert.Webb@hq.doe.gov.

Visit our website at www.pr.doe.gov for information on Acquisition Letters and other policy issues.

What is the Purpose of this Acquisition Letter?

The purpose of this Acquisition Letter is to implement HSPD-12 and direct the use of FIPS Pub 201 in the solicitation and award of contracts involving physical access to agency premises and electronic authentication and access control to Federal agency's computer systems and electronic infrastructure. As used in this AL, reference to DOE includes both NNSA and non-NNSA sites. Reference to the Chief Information Officer (CIO), refers to the DOE CIO for DOE sites and to the NNSA CIO for NNSA sites.

What is the Background?

On August 27, 2004, President Bush issued HSPD-12, entitled, "Policy for a Common Identification Standard for Federal Employees and Contractors." The Directive states that it is the "policy of the United States to enhance security, increase Government efficiency, reduce identity fraud, and protect personal privacy by establishing a mandatory, government-wide standard for secure and reliable forms of identification issued by the Federal Government to its employees and contractors (including contractor employees)."

This policy requires agencies to interconnect badging, physical access, and logical authentication and subsequent access control systems, that is, systems for electronic access to agency electronic infrastructure. When fully implemented, an enhanced employee's or contractor's badge or access authorization, will be necessary for physical access to agency premises and electronic authentication and access control to the agency's computer systems and electronic infrastructure. In the latter case, under normal circumstances, the enhanced employee and contractor badge will take the place of ID/password based authentications for access to the agency's infrastructure, but not necessarily to individual applications, such as Corporate Human Resource Information System (CHRIS), Industry Interactive Procurement System (IIPS), etc. Additionally, when all components of FIPS PUB 201 are fully implemented, one agency's badge or access authorization will be interoperable among Federal agencies, with the host agency retaining responsibility for granting access.

In pursuit of this policy, the Department of Commerce has developed FIPS Pub 201, entitled, "Personal Identification Verification for Federal Employees and Contractors." FIPS Pub 201 is available at http://www.csrc.nist.gov/publications/fips/fips201/FIPS-201-022505.pdf. All Federal agencies are required to implement the identity verification and management and badge issuance objectives of FIPS Pub 201 by October 27, 2005. Full implementation of FIPS PUB 201 is required by October 2008. The DOE CIO is leading the intra-agency project team, which includes representatives of the Office of Security and Safety Performance Assurance (SSA), the Office of Management Budget and Evaluation, DOE program offices, NNSA, the Defense Nuclear Facilities Safety Board, the power marketing administrations, and the Federal Energy Regulatory Commission, responsible for DOE-wide implementation.

What is the Effect on DOE Procurements and Contracts?

The guidance provided in this Acquisition Letter affects the planning, solicitation, evaluation, and award of all procurements for hardware and software components of DOE's electronic infrastructure. This includes such things as access authorization badges, identification badges, badge issuance stations and associated hardware and software, electronic chips intended for use in conjunction with the badges, card readers, middleware to interface with badges, digital certificates, identity management solutions, authentication technologies, access control software, access authorizing equipment, computer components, servers, local area network components, and related hardware and software.

In addition, active contracts requiring the delivery of access or electronic services, hardware, or software as described above must be modified within the scope of the contract to ensure compliance with FIPS Pub 201 to the extent that services or supplies have not already been accepted. See Section C. below.

This AL provides specific guidance to DOE Contracting Officers so that HSPD-12 and FIPS Pub 201 may be implemented with the least impact on DOE's program activities. One should note that no monies are available specifically to implement FIPS Pub 201.

A. Acquisition Planning.

Contracting Officers must not process procurements for hardware, software, or services that involve the purchase of hardware or software associated with physical access to DOE facilities or electronic or logical authentication or access to DOE equipment, computer components, servers, local area network components, and other related hardware and software unless the requirements have been reviewed for compliance with HSPD-12 and FIPS Pub 201 and approved by a designated representative of the CIO or SSA, as appropriate. SSA is the office responsible for review of requirements for physical access control systems, identity verification and management systems, and badge production and issuance systems. A listing of designated CIO and SSA representatives is attached.

B. Current Procurements Pending Award.

If a solicitation for the acquisition of such hardware or software has been issued, Contracting Officers shall require the requestor to submit the statement of work or specifications to a designated representative of the CIO or SSA, as appropriate, for compliance with HSPD-12 and FIPS Pub 201. The Contracting Officer shall amend the solicitation to reflect any changes necessary, after assuring that funds in addition to the original Government estimate associated with bringing the statement of work into compliance are available. A model contract provision is attached for use in affected solicitations and resulting contracts.

C. Current Contracts with Pending Affected Deliveries.

In the case of active contracts for hardware or software involving physical access to DOE facilities or electronic or logical authentication or access to DOE equipment, computer components, servers, local area network components, and other related hardware and software, Contracting Officers must, in consultation with the requestor, notify the designated representative of the CIO or SSA, as appropriate, of any items on the contract not yet delivered and accepted. Pursuant to the guidance received from the representative of the CIO or SSA and consideration of the potential for increased costs, the Contracting Officer shall attempt to negotiate a bilateral modification, or, when necessary, issue a change order, pursuant to the Changes clause of the contract, to alter the original specification to one compliant with HSPD-12 and FIPS Pub 201. If necessary additional funds are not available, Contracting Officers may attempt to negotiate reduced quantities or issue a partial termination for convenience.

D. Waiver.

Program offices requiring hardware or software involved in physical access to DOE facilities or electronic or logical access to DOE equipment, computer components, servers, local area network components, and other related hardware and software may request a waiver from the requirements of HSPD-12 and FIPS Pub 201 from the Chief Information Officer or Director of SSA, as appropriate. Contracting Officers shall process such procurements only upon the written granting of the requested waiver.

E. DOE's Management and Operating and Other Major Facilities Contracts.

Contracting Officers shall instruct DOE's contractors that manage and operate major DOE facilities to comply with HSPD-12 and FIPS Pub 201 in their purchase of hardware or software involved in physical access to DOE facilities or electronic or logical authentication or access to DOE equipment, computer components, servers, local area network components, and related hardware and software.

Contracting Officers shall direct each such contractor to identify an employee to act as liaison with the designated representative of the CIO or SSA, as appropriate. That contractor employee shall coordinate and acquire DOE approval of any prospective purchases for compliance with HSPD-12 and FIPS Pub 201. Contracting Officers shall also direct that the contractor shall not waive any requirement unless approved in writing by the Chief Information Officer or Director of SSA, as appropriate. The contractor should provide a copy of any waiver to the Contracting Officer.

F. Service Contracts.

It should be rare that any contractor, other than DOE's management and operating contractors or other major facilities contractors, supply or acquire hardware, software, or services required to comply with HSPD-12 and FIPS Pub 201. One such circumstance would occur when a contractor has been employed to purchase IT, other electronic equipment, or software that could be used to provide physical access to DOE facilities or electronic or logical authentication or access to DOE equipment, computer components, servers, local area network components, and other related hardware and software. In such cases, the solicitation of prospective contracts shall require compliance with HSPD-12 and FIPS Pub 201.

When an award has been made with items yet to be delivered and any necessary additional funds are available, Contracting Officers shall attempt to negotiate a bilateral modification or, when that is not reasonable possible, issue a change order pursuant to the Changes clause of the contract to require compliance.

Support service contracts, in which contractor employees must have access to DOE facilities physically or electronically merely incidental to their performing their contract, are unaffected by FIPS Pub 201 since the conditions of access are under the control of DOE personnel and affected media such as badges, access authorizations, or passwords, are provided by DOE.

ATTACHMENT I- POINTS OF CONTACT FOR IMPLEMENTATION OF HSPD-12 AND FIPS PUB 201

OFFICE OR SECURITY AND SAFETY PERFORMANCE ASSURANCE:
Kathy S. Reader, SP-1, (202)586-1779.

DOE OFFICE OF CHIEF INFORMATION OFFICER:
Fred Catoe, IM-30, (202)586-3768.

NNSA OFFICE OF CHIEF INFORMATION OFFICER:
Linda Wilbanks, NA-65, (202)586-5242.

ATTACHMENT II- MODEL CONTRACT CLAUSE TO IMPLEMENT HSPD-12 AND FIPS PUB 201

Article XX- Compliance with FIPS Pub 201

This contract involves the acquisition of hardware, software, or services related to physical access to Federal premises or electronic authentication or access control to a Federal agency's computer systems and electronic infrastructure. Any such hardware, software, or services delivered under this contract shall comply with FIPS Pub 201, and FIPS Pub 201 shall take precedence over any conflicting performance requirement of this contract. Should the contractor find that the statement of work or specifications of this contract do not conform to FIPS Pub 201, it shall notify the Contracting Officer of such nonconformance and shall act in accordance with instructions of the Contracting Officer.