MEMORANDUM TO ALL CONTRACTING OFFICERS AND NEGOTIATORS

TO: Distribution List FAC  
FROM: M/OP, Marcus L. Stevenson, Procurement Executive  
SUBJECT: Guidance Regarding Classified Contract Security and Contractor Personnel Security Requirements  

CONTRACT INFORMATION BULLETIN 98 - 23

The purpose of this CIB is to provide information regarding security requirements for Contractors under USPSC's, FSNPSC's, Purchase Orders and Institutional contracts both in Washington and Overseas.

ACCESS TO INFORMATION:

No individual shall be employed by USAID, detailed to a USAID-funded position, permitted access to classified information, or allowed unescorted access into USAID office space until:

a. A personnel security investigation is completed at the level appropriate for the position;

b. A determination is made that the individual's employment is clearly consistent with the interests of national security and USAID goals and objectives; and

c. A favorable access eligibility determination has been issued.

Any contractors requiring access to national security information must be in compliance with the National Industrial Security Program. An individual is considered to have access by being in a place where national security information is kept, processed, handled, or discussed, if the security control measures that are in force do not prevent that person from gaining knowledge of such information. Therefore, Bureau, Office and USAID overseas mission Technical/Program Officers must determine whether the duties of the position require access to national security information such as "Confidential", "Secret" or "Top Secret". Contracting Officers must ensure that appropriate clauses are included in the contracts setting forth security-related conditions.

ELIGIBILITY FOR CLEARANCES:

Only U.S. citizens are eligible for a security clearance. Non-U.S. citizens and any positions that will not require access to national security information but are limited to administratively controlled information, "Sensitive But Unclassified", will be granted "Employment Authorization", formerly called "No Access".
**TEMPORARY CLEARANCES/AUTHORIZATIONS:**

On April 10, 1998, OIG/SEC issued a General Notice entitled "Temporary Clearances in Lieu of No-Objection Waivers". The Notice clarified that granting "Temporary Security Clearance" or "Temporary Employment Authorization", (formerly known as "No-Objection Waiver"), comes with seven main stipulations:

1) a temporary clearance/authorization can be withdrawn for unfavorable information uncovered during the background investigation;

2) access to classified information must be limited to particular, identified categories necessary for the individual to work;

3) the temporary clearance is valid only at the Agency granting it, unless other Agencies expressly agree to accept it and understand the investigative nature of the clearance/authorization;

4) a memorandum signed by the senior USAID official of the Bureau, Office, or USAID Mission to OIG/SEC, must include sufficient information and justification to support a finding that the accelerated employment is necessary in the national interest and is based on operational requirements justifying the risk of employing the individual prior to the completion of the personnel security investigation;

5) the contract will include a contingency clause to permit termination of the contract without penalty to USAID in the event the contractor is determined to be ineligible for the security clearance/employment authorization required by the contract position; and which shall permit removal of the contractor from the contract at any stage of the investigation, without any penalty to USAID;

6) the Request for Security Investigative Action - Contractor (form AID 6-10), and all of the applicant's other required papers and forms are completed and received by OIG/SEC; and

7) no issues of security concern are identified during a preliminary review.

In addition, OIG/SEC issued another Agency Notice on April 10, 1998 entitled "Escort Requirement Reminder". This Notice specifically indicated that granting "Temporary Clearances" is not a determination of access eligibility. Therefore, anyone without a security clearance must be escorted while within restricted space.

Notwithstanding the language in Appendix D of the AIDAR, effectively immediately, all reference to "Limited Official Use" shall be revised to "Sensitive But Unclassified". In addition, all reference to "No-Objection" shall be revised to "Temporary Clearance" or "Temporary Employment Authorization". All other security requirements within the general provision continue to apply.

Procedures to obtain the appropriate clearances and authorizations are outlined in Handbook 6 or superseding ADS chapters. NOTE: All contractors must undergo security briefings by IG/SEC and IRM before access will be granted to office space and the computer LAN network.

Questions regarding this CIB may be directed to M/OP/P. This CIB was coordinated with OIG/SEC and IRM.