



PERFORMANCE WORK STATEMENT (PWS)

**DEPARTMENT OF VETERANS AFFAIRS
Office of Information & Technology**

**Local Exchange Carrier (LEC) Services
St. Marys CBOC
205 Lakeshore Pt.
St. Marys GA 31558**

**TAC-16-32539
Date: 02/17/2016**

1.0 BACKGROUND

The mission of the Department of Veterans Affairs (VA), Office of Information and Technology (OI&T), Service Delivery and Engineering is to provide benefits and services to Veterans of the United States. In meeting these goals, OI&T strives to provide high quality, effective, and efficient Information Technology (IT) services to those responsible for providing care to the Veterans at the point-of-care as well as throughout all the points of the Veterans' health care system in an effective, timely and compassionate manner. VA depends on Information Management/Information Technology (IM/IT) systems to meet mission goals.

OI&T Region 3 Telecommunications' Business Office (R3 TBO) is responsible for procurement and management of voice and data communications services for VA Medical Centers, Community Based Outpatient Clinics (CBOC), field and program offices and other remote service delivery points that are geographically dispersed throughout OI&T Region 3 catchment area of Ohio (OH), Illinois (IL), Michigan (MI), Indiana (IN), West Virginia (WV), Kentucky (KY), Tennessee (TN), Virginia (VA), North Carolina (NC), South Carolina (SC), Georgia (GA), Alabama (AL), Florida (FL), and United States (US) Territories of Puerto Rico (PR), and US Virgin Islands.

OI&T Region 3 Telecommunications' Office (R3 TBO) has identified an immediate need for continued telecom services at the St. Marys CBOC.

2.0 APPLICABLE DOCUMENTS

In the performance of the tasks associated with this Performance Work Statement, the Contractor shall comply with the following:

1. 44 U.S.C. § 3541, "Federal Information Security Management Act (FISMA) of 2002"
2. Federal Information Processing Standards (FIPS) Publication 140-2, "Security Requirements For Cryptographic Modules"
3. FIPS Pub 201, "Personal Identity Verification of Federal Employees and Contractors," March 2006
4. 10 U.S.C. § 2224, "Defense Information Assurance Program"
5. 5 U.S.C. § 552a, as amended, "The Privacy Act of 1974"
6. 42 U.S.C. § 2000d "Title VI of the Civil Rights Act of 1964"
7. Department of Veterans Affairs (VA) Directive 0710, "Personnel Suitability and Security Program," May 18, 2007
8. VA Directive 6102, "Internet/Intranet Services," July 15, 2008
9. 36 C.F.R. Part 1194 "Electronic and Information Technology Accessibility Standards," July 1, 2003
10. OMB Circular A-130, "Management of Federal Information Resources," November 28, 2000
11. Homeland Security Presidential Directive (12) (HSPD-12), August 27, 2004
12. VA Directive 6500, "Managing Information Security Risk: VA Information Security Program," September 20, , 2012

13. VA Handbook 6500, "Risk Management Framework for VA Information Systems – Tier 3: VA Information Security Program," September 20, 2012
14. VA Handbook 6500.1, "Electronic Media Sanitization," March 22, 2010
15. VA Handbook 6500.2, "Management of Data Breaches Involving Sensitive Personal Information (SPI)", January 6, 2012
16. VA Handbook 6500.3, "Certification and Accreditation of VA Information Systems," November 24, 2008
17. VA Handbook, 6500.5, "Incorporating Security and Privacy in System Development Lifecycle" March 22, 2010
18. VA Handbook 6500.6, "Contract Security," March 12, 2010
19. Project Management Accountability System (PMAS) portal (reference PWS References -Technical Library at <https://www.voa.va.gov/>)
20. OI&T ProPath Process Methodology (reference PWS References -Technical Library and ProPath Library links at <https://www.voa.va.gov/>) NOTE: In the event of a conflict, OI&T ProPath takes precedence over other processes or methodologies.
21. Technical Reference Model (TRM) (reference at <https://www.voa.va.gov/>)
22. National Institute Standards and Technology (NIST) Special Publications
23. VA Directive 6508, VA Privacy Impact Assessment, October 3, 2008
24. VA Directive 6300, Records and Information Management, February 26, 2009
25. VA Handbook, 6300.1, Records Management Procedures, March 24, 2010
26. OMB Memorandum, "Transition to IPv6", September 28, 2010

3.0 SCOPE OF WORK

The Contractor shall continue to provide telecommunication services to the VA facility located at, 205 Lakeshore Pt., St.Mary's GA 31558. Services include but are not limited to: 1 ISDN PRI circuit with inbound/outbound calling capability; 30 Direct Inward Dial numbers (DIDs); 2 POTS lines. Services can be added and or disconnected at any time over the course of the contract.

- 1.) 1 - PRI Circuit-ID# (912-613420. These shall have inbound and outbound calling capability.
- 2.) 30 - DIDs
- 3.) 2 - POTS/business lines .

Long Distance shall be pic'd to 0432/0432.

Contractor must utilize an approved EDI software system to electronically submit invoices for processing. All invoices must be submitted on a monthly basis, in arrears of services rendered and must include the purchase order number assigned. Failure to comply will result in invoices being rejected for correction. . Contractor must notify the COR when final invoice is submitted so that it can be certified for payment and the purchase order closed out. There will be no exceptions to this requirement.

All VA accounts must be identified within the provider's network as a Federal Government account and will not be subject to disconnect for any lawful reason other than the Government requests that it be disconnected.

Service Delivery Point: 205 Lakeshore Pt., St. Marys GA 31558

3.1 CONTRACT TYPE

This requirement will result in a Firm Fixed Price (FFP) contract. If there are other fees that need to be billed for then they need to be included in the FFP price.

4.0 PERFORMANCE DETAILS

4.1 PERFORMANCE PERIOD

The period of performance is 12 months with four, 12 month option periods from date of award.

Base Period – April 1, 2016 to March 31, 2017

Option Period 1- April 1, 2017 to March 31, 2018

Option Period 2- April 1, 2018 to March 31, 2019

Option Period 3- April 1, 2019 to March 31, 2020

Option Period 4- April 1, 2020 to March 31, 2021

Any work at the Government site shall not take place on Federal holidays or weekends unless directed by the Contracting Officer (CO) or at the request of the facility Telecom Manager in support of a trouble ticket pertaining to a total outage.

There are ten (10) Federal holidays set by law (USC Title 5 Section 6103) that VA follows:

Under current definitions, four are set by date:

New Year's Day	January 1
Independence Day	July 4
Veterans Day	November 11
Christmas Day	December 25

If any of the above falls on a Saturday, then Friday shall be observed as a holiday. Similarly, if one falls on a Sunday, then Monday shall be observed as a holiday.

The other six are set by a day of the week and month:

Martin Luther King's Birthday	Third Monday in January
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Thanksgiving	Fourth Thursday in November

4.2 PLACE OF PERFORMANCE

The place(s) of performance is the awarded vendor's Central Offices and the Service Delivery Point delineated in Section 3.0 above and all carrier paths, in between and across the vendor's telecom network.

4.3 TRAVEL

The Government does not anticipate travel under this effort to perform the tasks associated with the effort.

5.0 SPECIFIC TASKS AND DELIVERABLES

The Contractor shall ensure continuity with respect to the current data network in use. The Contractor shall take all reasonable precautions necessary to protect persons and property from injury or damage during the performance of this contract. Vendor shall be responsible for any injury to himself/herself, his/her employees, as well as for any damage to personal or public property that occurs during the performance of this contract that is caused by his/her employees fault or negligence, and shall maintain personal liability and property damage insurance having coverage for a limit as required by the laws of each state identified in this PWS.

If necessary, the Contractor shall be responsible for all contacts and coordination with any local telephone company regarding maintenance and installation of all LEC and CLEC maintained circuits and equipment. The Contractor is responsible for telephone company repair service visit costs when the Contractor requests telephone company repair service.

5.1 PROJECT MANAGEMENT

5.1.1 PROJECT MANAGER

The Contractor shall provide a project manager who will act as a single point of contact for issues and offer 24-hour replacement of equipment that fails within applicable warranty periods. The project manager shall also act as the single point of contact for equipment or billing issues.

5.1.2 REPORTING REQUIREMENTS

The Contractor shall provide VA service field reports at the time of a service call. Field reports shall include written evidence of performance of all procedures and tests as required and shall include itemized parts and labor charges. CSR's (Customer Service Records) shall be provided to the VA upon initial installation and after any changes made to the services. After initial installation CSR's shall be provided upon request with no more than 2 a year at no cost to the Government.

If any services and/or parts not covered or excluded by the contract are required at the St Marys CBOC not covered by this contract, the Contractor shall inform the Contracting Officer's Representative (COR) immediately. Parts that are not covered by this contract will be purchased by the VA Medical Center separately, not through this contract vehicle.

Contractor will submit reports and meet with VA Telecom staff to discuss any problems as they arise. Invoices will be accepted in lieu of monthly reports and clearly show the period of service and the charges for the services provided. Other reports at request of VA shall cover all work completed during a trouble period or downtime and delineate any maintenance work planned for any subsequent period. The reports shall also identify any problems that arose and a description of how the problems were resolved. If problems have not been completely resolved, the Contractor shall provide an explanation including their plan and timeframe for resolving the issue. The Contractor shall keep in communication with VA accordingly so that issues that arise are transparent to both parties to prevent escalation of outstanding issues.

Deliverables:

- A. Monthly Invoices

5.2 GUARANTEED UPTIME, HOURS OF COVERAGE AND RESPONSE TIME REQUIREMENTS

5.2.1 GUARANTEED UPTIME

A guaranteed uptime service-level agreement (SLA) of 99.99% shall be maintained during hours of coverage for each geographical location.

Uptime will be calculated as: $\text{Uptime \%} = \frac{\text{productive time}}{\text{productive time} + \text{downtime}} \times 100$

Productive time is absolute use of services and equipment.

Downtime begins at service disruption or time of first service call, whichever is earlier, until equipment or service is returned to proper operating conditions.

5.3 MAINTENANCE AND RESTORATION ACTIVITIES

5.3.1. DOWNTIME

The Contractor shall obtain the approval of the Contract COR, VA Facility Chief Information Officer (FCIO), Telecommunications Manager, or their delegates prior to starting any work that will cause any downtime. If work is needed to be performed outside of normal business hours, the Contractor shall notify the COR and VA FCIO or Telecommunications Manager a minimum of three (3) business days before the work is to begin (except in the case of emergencies or major impact).

5.3.2 ONSITE WORK

The Contractor shall clean up all work areas after completing work in VA facilities, including removal and disposal of defective equipment.

Requirements for access to VA facilities shall include the following:

1. Normal working hours at VA facilities are 8:00 AM to 4:30 PM except the NOC and Major Medical Centers which requires 24/7 coverage. Access after normal administrative hours will have to be coordinated and approved with each site's Telecom Manager or their designee.
2. Technicians will require VA OI&T employee escorts.
3. If work must be conducted after normal working hours, the Contractor shall notify the designated VA representative local contact (LCON) for the site at least 3 days in advance to schedule a time mutually agreeable to the Contractor and VA. A pre-notification must be given to the VA Telecom Manager prior to any technician or Contractor representative arriving on site so proper escort availability can be provided.

5.3.3 INTRUSIVE TESTING

The Contractor shall receive approval from the VA COR, FCIO, Telecommunications Manager or their authorized delegates prior to commencement of intrusive testing. Intrusive testing shall only be conducted after normal business hours of 8:00am-430pm, unless to correct an outage.

5.3.4 NOTIFICATION OF SERVICE COMPLETION

The Contractor shall notify VA when any service request, repair, or maintenance is completed by sending an email to a VA email group(s) designated by the COR. The service request, repair, or maintenance is not considered complete until the COR, FCIO, Telecommunications Manager or their authorized delegates confirms that the completion of service is acceptable.

5.3.5 CUSTOMER SERVICE

The Contractor shall provide a toll free number for customer service support staffed by a live customer service representative 24 hours per day, 7 days per week, and 365 days per year. The help desk support shall be available and the support shall continue until the end of each period of performance is reached. Technical support starts at the point the call is logged by the Help Desk to the point where the technician has been assigned to resolve the problem. In addition, an alternate Email address or web-based modality to electronically enter tickets and follow them thru the escalation process to completion shall be provided to VA by the Contractor.

5.3.6 RESOLUTION OF ISSUES

The Contractor shall use an Escalation Process to resolve customer service issues and provide a single point of contact for each issue or dispute.

The Contractor shall provide the COR a Fault reporting Escalation Process 14 days After Receipt of Order (ARO) outlining the specific steps necessary to resolve customer service issues. The process shall include a full escalation list that provides for escalations, if necessary, to the Contractor's senior executive level. The Escalation process shall also include a Customer Support Organization Chart containing employee names, email addresses, and direct phone numbers

Fault Reporting and Escalation Process Procedures - diagram or chart that provides all necessary information to initiate trouble tickets and provide for escalations from inception to resolution. The diagram or chart shall include information such as contacts and their numbers and Email addresses, program or support offices and their contact information, and any delineated processes or procedures for effecting. There shall also be listed contacts and processes for general inquiries, orders, billing, reporting, technical, repair, sales, and complaints. The deliverable is desired to be in an electronic format or web-accessible.

Deliverables:

- A. Fault Reporting and Escalation Process Procedures

5.3.7 ACCOUNT MANAGEMENT

The Contractor shall provide VA access to an online account management system by the 14th day-after contract award. No other customer shall be able to access VA's data. The system shall provide designated VA users the ability to obtain current status of service outages, access to billing records, and current VA accounts information.

5.3.8 CUSTOMER SUPPORT

The Contractor shall provide technical help desk support. Technical help desk support is required 24 hours a day, 7 days a week, and 365 days a year for the remainder of the contract following installation. A toll free number shall be designated as the primary help number for VA to call. Help Desk must be located in the Continental U.S (CONUS) and staff must be able to understand and speak English. In addition, an alternate Email address or web-based modality to electronically enter tickets and follow them thru the escalation process to completion shall be provided to VA by the Contractor. The help desk support shall be available and the support shall continue until the end of each period of performance is reached. Technical support response is measured by number of calls placed to the help desk from VA. Technical support starts at the point the call is logged by the Help Desk to the point where the technician has been assigned to resolve the problem.

5.3.9 SUPPORT RESPONSE TIME

The Contractor shall provide technical support/resolution during established business hours to assist the VA with issues pertaining to the services set forth in Section 3.0. Response times begin when the Contractor receives a support request from the VA. The Contractor shall respond to the VA's support requests according to the following Severity Levels.

SEVERITY LEVEL A – MAJOR IMPACT

A Major Impact means a business impacting function or service is not available such as circuit service outages. This also includes inability to receive or transmit data or access critical medical systems due to circuit impairment. The Contractor shall acknowledge trouble ticket within 1 hour of reporting and respond to all Severity Level A problems within four (4) business hours. Notifications shall be provided to VA local point of contact as identified by contract, at a minimum every four (4) hours via telephone or more frequently as time permits. Service shall be restored or minimized to Severity Level B within 24 hours of the notification of major impact and not return to major impact for seven (7) days or it will be considered a continuation of the original service impact.

SEVERITY LEVEL B – MINOR IMPACT

A Minor Impact means VA's workflow is not seriously affected or limited. The Contractor shall acknowledge trouble ticket within 4 hours of reporting and respond to all Severity Level B problems within one (1) business day. Notification shall be delivered either by telephone or via email to the appropriate VA local point of contact and Contracting Officer's Representative (COR) as identified by contract. Service shall be restored or minimized within 72 hours of the notification of minor impact and not return to minor or major impact for seven (7) days or it will be considered a continuation of the original service impact.

5.3.10 EXCEPTIONS

During scheduled maintenance of data services, the Contractor shall notify VA within three (3) days of the maintenance window and describe in detail how long and to what level of degraded service is to be expected. The Contractor shall obtain approval in advance from the appropriate VA point of contact as identified by contract before scheduled maintenance occurs. The data service shall not be considered to be unavailable for the following outages that results from any maintenance performed by the Contractor as defined by the following three exceptions:

- 1) VA is notified at least three (3) days in advance of outage or service degradation
- 2) During the installation period; and
- 3) Any problem beyond the demarcation point not caused by the Contractor.

5.4 ENTERPRISE AND IT FRAMEWORK

The Contractor shall support the VA enterprise management framework. In association with the framework, the Contractor shall comply with OI&T Technical Reference Model (One-VA TRM). One-VA TRM is one component within the overall Enterprise Architecture (EA) that establishes a common vocabulary and structure for describing the information technology used to develop, operate, and maintain enterprise applications. One-VA TRM includes the Standards Profile and Product List that collectively serves as a VA technology roadmap. Architecture, Strategy, and Design (ASD) has overall responsibility for the One-VA TRM.

Where applicable, the Contractor solution shall support the latest Internet Protocol Version 6 (IPv6) requirements and compliance standards established by Federal Acquisition Regulation (FAR) and NIST for IPv6 for Federal Government Agencies. IPv6 technology must be included in all infrastructure and application design and development efforts.

The Contractor shall support VA efforts in accordance with the Project Management Accountability System (PMAS) that mandates all new VA IT projects/programs use an incremental development approach, requiring frequent delivery milestones that deliver new capabilities for business sponsors to test and accept functionality. Implemented by the Assistant Secretary for IT, PMAS is a VA-wide initiative to better empower the OI&T Project Managers and teams to meet their mission: delivering world-class IT products that meet business needs on time and within budget.

The Contractor shall utilize ProPath, the OI&T-wide process management tool that assists in the execution of an IT project (including adherence to PMAS standards). It is a one-stop shop providing critical links to the formal approved processes, artifacts, and templates to assist project teams in facilitating their PMAS-compliant work. ProPath is used to build schedules to meet project requirements, regardless of the development methodology employed.

5.5 POSITION/TASK RISK DESIGNATION LEVEL(S) AND CONTRACTOR PERSONNEL SECURITY REQUIREMENTS

Position Sensitivity	Background Investigation (in accordance with Department of Veterans Affairs 0710 Handbook, "Personnel Security Suitability Program," Appendix A)
Low	National Agency Check with Written Inquiries (NACI) A NACI is conducted by OPM and covers a 5-year period. It consists of a review of records contained in the OPM Security Investigations Index (SII) and the DOD Defense Central Investigations Index (DCII), FBI name check, FBI fingerprint check, and written inquiries to previous employers and references listed on the application for employment. In VA it is used for Non-sensitive or Low Risk positions.
Moderate	Moderate Background Investigation (MBI) A MBI is conducted by OPM and covers a 5-year period. It consists of a review of National Agency Check (NAC) records [OPM Security Investigations Index (SII), DOD Defense Central Investigations Index (DCII), FBI name check, and a FBI fingerprint check], a credit report covering a period of 5 years, written inquiries to previous employers and references listed on the application for employment; an interview with the subject, law enforcement check; and a verification of the educational degree.
High	Background Investigation (BI) A BI is conducted by OPM and covers a 10-year period. It consists of a review of National Agency Check (NAC) records [OPM Security Investigations Index (SII), DOD Defense Central Investigations Index (DCII), FBI name check, and a FBI fingerprint check report], a credit report covering a period of 10 years, written inquiries to previous employers and references listed on the application for employment; an interview with the subject, spouse, neighbors, supervisor, co-workers; court records, law enforcement check, and a verification of the educational degree.

The Tasks identified below and the resulting Position Sensitivity and Background Investigation delineate the Background Investigation requirements by Contractor individual, based upon the tasks the particular Contractor individual will be working. The submitted Contractor Staff Roster must indicate the required Background Investigation Level for each individual, based upon the tasks the Contractor individual will be working, based upon their submitted proposal.

5.5.1 LOW RISK DESIGNATION TASKS

N/A

5.5.2 MODERATE RISK DESIGNATION TASKS

N/A

5.5.3 HIGH RISK DESIGNATION TASKS

- a) Position Sensitivity and Background Investigation - The position sensitivity and the level of background investigation commensurate with the required level of access for task(s) Implementation and Reporting within the Performance Work Statement is:

☒ Low

5.5.4 CONTRACTOR PERSONNEL SECURITY REQUIREMENTS

Contractor Responsibilities:

- a. The Contractor shall prescreen all personnel requiring access to the computer systems to ensure they maintain the appropriate Background Investigation, and are able to read, write, speak and understand the English language.
- b. The Contractor shall bear the expense of obtaining background investigations.
- c. Within 3 business days after award, the Contractor shall provide a roster of Contractor and Subcontractor employees to the COR to begin their background investigations. The roster shall contain the Contractor's Full Name, Full Social Security Number, Date of Birth, Place of Birth, and individual background investigation level requirement (based upon Section 6.2 Tasks).
- d. The Contractor should coordinate the location of the nearest VA fingerprinting office through the COR. Only electronic fingerprints are authorized.
- e. For a Low Risk designation the following forms are required to be completed: 1.OF-306 and 2. DVA Memorandum – Electronic Fingerprints. For Moderate or High Risk the following forms are required to be completed: 1. VA Form 0710 and 2. DVA Memorandum – Electronic Fingerprints. These should be submitted to the COR within 5 business days after award.
- f. The Contractor personnel will receive an email notification from the Security and Investigation Center (SIC), through the Electronics Questionnaire for Investigations Processes (e-QIP) identifying the website link that includes detailed instructions regarding completion of the investigation documents (SF85, SF85P, or SF 86). The Contractor personnel shall submit all required information related to their background investigations utilizing the Office of Personnel Management's (OPM) Electronic Questionnaire for Investigations Processing (e-QIP).
- g. The Contractor is to certify and release the e-QIP document, print and sign the signature pages, and send them to the COR for electronic submission to

- the SIC. These should be submitted to the COR within 3 business days of receipt of the e-QIP notification email.
- h. The Contractor shall be responsible for the actions of all personnel provided to work for VA under this contract. In the event that damages arise from work performed by Contractor provided personnel, under the auspices of this contract, the Contractor shall be responsible for all resources necessary to remedy the incident.
 - i. A Contractor may be granted unescorted access to VA facilities and/or access to VA Information Technology resources (network and/or protected data) with a favorably adjudicated Special Agreement Check (SAC) or "Closed, No Issues" (SAC) finger print results, training delineated in VA Handbook 6500.6 (Appendix C, Section 9), and, the signed "Contractor Rules of Behavior." However, the Contractor will be responsible for the actions of the Contractor personnel they provide to perform work for VA. The investigative history for Contractor personnel working under this contract must be maintained in the database of the Office of Personnel Management (OPM).
 - j. The Contractor, when notified of an unfavorably adjudicated background investigation on a Contractor employee as determined by the Government, shall withdraw the employee from consideration in working under the contract.
 - k. Failure to comply with the Contractor personnel security investigative requirements may result in termination of the contract for default.

5.6 METHOD AND DISTRIBUTION OF DELIVERABLES

The Contractor shall deliver documentation in electronic format, unless otherwise directed in Section B of the solicitation/contract. Acceptable electronic media include: MS Word 2000/2003/2007, MS Excel 2000/2003/2007, MS PowerPoint 2000/2003/2007, MS Project 2000/2003/2007, MS Access 2000/2003/2007, MS Visio 2000/2002/2003/2007, AutoCAD 2002/2004/2007/2010, and Adobe Postscript Data Format (PDF).

5.7 PERFORMANCE METRICS

The table below defines the Performance Standards and Acceptable Performance Levels for Objectives associated with this effort.

Contractor shall provide for a variety of services that would reflect the best value to the government. The number of services as stated in this requirement is for proposal purposes only; the actual number of services for the contract may vary plus or minus, depending on changing requirements. Any resulting contract shall include the option to increase or decrease the number of services over the life of the contract by 75% of the amount as stated in this requirement.

Additional services may be added or deleted to this Veterans Affairs contract by designated COR as requirements dictate.

Vendor shall identify and tag new and existing lines and circuits at each demarcation point. Vendor shall provide an inventory list of all lines and circuits to include the cable pair assignments at each demarcation point.

Vendor will submit the name and address of staff associated with this agreement. They shall also provide the names for Regional, local and 24 hour support for service or network failures. An escalation process will also be included with each proposal. The escalation process shall be the specific steps taken to resolve any customer service issues. Vendor will provide toll free number for customer service support.

The contract will be inclusive of all services currently held by the VA with a maximum of 75% growth over term of this agreement.

Billing issues will be resolved between regional contact and local vendor contact within 30 days or the next billing cycle.

The vendor will provide single point of contact for issues and offer 24 hour replacement of equipment that fails within warranty period.

The vendor shall be responsible for all contacts and coordination with the local telephone company regarding maintenance and installation of all LEC and CLEC maintained circuits and equipment. The vendor is responsible for telephone company repair service visit costs. The vendor is encouraged to identify and recommend technological advances, changes, or other improvements to the provided services that will improve system efficiency, or otherwise lower costs to the customer.

The Government will utilize a Quality Assurance Surveillance Plan (QASP) throughout the life of the contract to ensure that the Contractor is performing the services required by this PWS in an acceptable manner. The Government reserves the right to alter or change the surveillance methods in the QASP at its own discretion. A Performance Based Service Assessment Survey will be used in combination with the QASP to assist the Government in determining acceptable performance levels.

5.8 FACILITY/RESOURCE PROVISIONS

The Government will provide access when authorized contract staff work at a Government location as required in order to accomplish the Tasks associated with this PWS. All procedural guides, reference materials, and program documentation for the project and other Government applications will also be provided on an as-needed basis.

The Contractor shall request other Government documentation deemed pertinent to the work accomplishment directly from the Government officials with whom the Contractor

has contact. The Contractor shall consider the COR as the final source for needed Government documentation when the Contractor fails to secure the documents by other means. The Contractor is expected to use common knowledge and resourcefulness in securing all other reference materials, standard industry publications, and related materials that are pertinent to the work.

VA will provide access to VA specific systems as required for execution of the task via a site-to-site VPN or other technology, including VA specific software such as Veterans Health Information System and Technology Architecture (VistA), ClearQuest, ProPath, Primavera, and Remedy, including appropriate seat management and user licenses. The Contractor shall utilize Government-provided software development and test accounts, document and requirements repositories, etc. as required for the development, storage, maintenance and delivery of products within the scope of this effort. The Contractor shall not transmit, store or otherwise maintain sensitive data or products in Contractor systems (or media) within the VA firewall IAW VA Handbook 6500.6 dated March 12, 2010. All VA sensitive information shall be protected at all times in accordance with local security field office System Security Plans (SSP's) and Authority to Operate (ATO)'s for all systems/LAN's accessed while performing the tasks detailed in this PWS. For detailed Security and Privacy Requirements refer to ADDENDUM A and ADDENDUM B.

5.9 GOVERNMENT FURNISHED PROPERTY

Not applicable

ADDENDUM A

A1.0 Cyber and Information Security Requirements for VA IT Services

The Contractor shall ensure adequate LAN/Internet, data, information, and system security in accordance with VA standard operating procedures and standard PWS language, conditions, laws, and regulations. The Contractor's firewall and web server shall meet or exceed VA minimum requirements for security. All VA data shall be protected behind an approved firewall. Any security violations or attempted violations shall be reported to the VA Program Manager and VA Information Security Officer as soon as possible. The Contractor shall follow all applicable VA policies and procedures governing information security, especially those that pertain to certification and accreditation.

Contractor supplied equipment, PCs of all types, equipment with hard drives, etc. for contract services must meet all security requirements that apply to Government Furnished Equipment (GFE) and Government Owned Equipment (GOE). Security Requirements include: a) VA Approved Encryption Software must be installed on all laptops or mobile devices before placed into operation, b) Bluetooth equipped devices are prohibited within VA; Bluetooth must be permanently disabled or removed from the

device, c) VA approved anti-virus and firewall software, d) Equipment must meet all VA sanitization requirements and procedures before disposal. The COR, CO, the Project Manager, and the Information Security Officer (ISO) must be notified and verify all security requirements have been adhered to.

Each documented initiative under this contract incorporates the VA Handbook 6500.6, "Contract Security," March 12, 2010 by reference as though fully set forth therein. The VA Handbook 6500.6, "Contract Security" shall also be included in every related agreement, contract or order. The VA Handbook 6500.6, Appendix C, is included in this document as Addendum B.

Training requirements: The Contractor shall complete all mandatory training courses identified on the current external VA training site, the Employee Education System (EES), and will be tracked therein. The EES may be accessed at <https://www.ees-learning.net/librix/loginhtml.asp?v=librix>. If the decision is made by the local Program Office to provide the Contractor a VA Talent Management System (TMS) account, the Contractor shall use the VA TMS to complete their mandatory training, accessed at <http://www.insidetms.va.gov/>

Contractor employees shall complete a VA Systems Access Agreement if they are provided access privileges as an authorized user of the computer system of VA.

A2.0 VA Enterprise Architecture Compliance

The applications, supplies, and services furnished under this contract must comply with One-VA Enterprise Architecture (EA), available at <http://www.ea.oit.va.gov/index.asp> in force at the time of issuance of this contract, including the Program Management Plan and VA's rules, standards, and guidelines in the Technical Reference Model/Standards Profile (TRMSP). The VA reserves the right to assess contract deliverables for EA compliance prior to acceptance.

A2.1. VA Internet and Intranet Standards:

The Contractor shall adhere to and comply with VA Directive 6102 and VA Handbook 6102, Internet/Intranet Services, including applicable amendments and changes, if the Contractor's work includes managing, maintaining, establishing and presenting information on VA's Internet/Intranet Service Sites. This pertains, but is not limited to: creating announcements; collecting information; databases to be accessed, graphics and links to external sites.

Internet/Intranet Services Directive 6102 is posted at (copy and paste the following URL to browser): http://www1.va.gov/vapubs/viewPublication.asp?Pub_ID=409&FTtype=2

Internet/Intranet Services Handbook 6102 is posted at (copy and paste following URL to browser): http://www1.va.gov/vapubs/viewPublication.asp?Pub_ID=410&FType=2

A3.0 Notice of the Federal Accessibility Law Affecting All Electronic and Information Technology Procurements (Section 508)

On August 7, 1998, Section 508 of the Rehabilitation Act of 1973 was amended to require that when Federal departments or agencies develop, procure, maintain, or use Electronic and Information Technology, that they shall ensure it allows Federal employees with disabilities to have access to and use of information and data that is comparable to the access to and use of information and data by other Federal employees. Section 508 required the Architectural and Transportation Barriers Compliance Board (Access Board) to publish standards setting forth a definition of electronic and information technology and the technical and functional criteria for such technology to comply with Section 508. These standards have been developed and published with an effective date of December 21, 2000. Federal departments and agencies shall develop all Electronic and Information Technology requirements to comply with the standards found in 36 CFR 1194.

Section 508 – Electronic and Information Technology (EIT) Standards:

The Section 508 standards established by the Architectural and Transportation Barriers Compliance Board (Access Board) are incorporated into, and made part of all VA orders, solicitations and purchase orders developed to procure Electronic and Information Technology (EIT). These standards are found in their entirety at: <http://www.section508.gov> and <http://www.access-board.gov/sec508/standards.htm>. A printed copy of the standards will be supplied upon request. The Contractor shall comply with the technical standards as marked:

- ☒ § 1194.21 Software applications and operating systems
- ☒ § 1194.22 Web-based intranet and internet information and applications
- ☒ § 1194.23 Telecommunications products
- ☒ § 1194.24 Video and multimedia products
- ☒ § 1194.25 Self-contained, closed products
- ☒ § 1194.26 Desktop and portable computers
- ☒ § 1194.31 Functional Performance Criteria
- ☒ § 1194.41 Information, Documentation, and Support

The standards do not require the installation of specific accessibility-related software or the attachment of an assistive technology device, but merely require that the EIT be compatible with such software and devices so that it can be made accessible if so required by the agency in the future.

A4.0 Physical Security & Safety Requirements:

The Contractor and their personnel shall follow all VA policies, standard operating procedures, applicable laws and regulations while on VA property. Violations of VA regulations and policies may result in citation and disciplinary measures for persons violating the law.

1. The Contractor and their personnel shall wear visible identification at all times while they are on the premises.
2. The VA does not provide parking spaces at the work site; the Contractor must obtain parking at the work site if needed. It is the responsibility of the Contractor to park in the appropriate designated parking areas. The VA will not invalidate or make reimbursement for parking violations of the Contractor under any conditions.
3. Smoking is prohibited inside/outside any building other than the designated smoking areas.
4. Possession of weapons is prohibited.
5. The Contractor shall obtain all necessary licenses and/or permits required to perform the work, with the exception of software licenses that need to be procured from a Contractor or vendor in accordance with the requirements document. The Contractor shall take all reasonable precautions necessary to protect persons and property from injury or damage during the performance of this contract.

A5.0 Confidentiality and Non-Disclosure

The Contractor shall follow all VA rules and regulations regarding information security to prevent disclosure of sensitive information to unauthorized individuals or organizations.

The Contractor may have access to Protected Health Information (PHI) and Electronic Protected Health Information (EPHI) that is subject to protection under the regulations issued by the Department of Health and Human Services, as mandated by the Health Insurance Portability and Accountability Act of 1996 (HIPAA); 45 CFR Parts 160 and 164, Subparts A and E, the Standards for Privacy of Individually Identifiable Health Information ("Privacy Rule"); and 45 CFR Parts 160 and 164, Subparts A and C, the Security Standard ("Security Rule"). Pursuant to the Privacy and Security Rules, the Contractor must agree in writing to certain mandatory provisions regarding the use and disclosure of PHI and EPHI.

1. The Contractor will have access to some privileged and confidential materials of VA. These printed and electronic documents are for internal use only, are not to be copied or released without permission, and remain the sole property of VA. Some of these materials are protected by the Privacy Act of 1974 (revised by PL 93-5791) and Title 38. Unauthorized disclosure of Privacy Act or Title 38 covered materials is a criminal offense.
2. The VA Contracting Officer will be the sole authorized official to release in writing, any data, draft deliverables, final deliverables, or any other written or printed materials pertaining to this contract. The Contractor shall release no

- information. Any request for information relating to this contract presented to the Contractor shall be submitted to the VA Contracting Officer for response.
3. Contractor personnel recognize that in the performance of this effort, Contractor personnel may receive or have access to sensitive information, including information provided on a proprietary basis by carriers, equipment manufacturers and other private or public entities. Contractor personnel agree to safeguard such information and use the information exclusively in the performance of this contract. Contractor shall follow all VA rules and regulations regarding information security to prevent disclosure of sensitive information to unauthorized individuals or organizations as enumerated in this section and elsewhere in this Contract and its subparts and appendices.
 4. Contractor shall limit access to the minimum number of personnel necessary for contract performance for all information considered sensitive or proprietary in nature. If the Contractor is uncertain of the sensitivity of any information obtained during the performance this contract, the Contractor has a responsibility to ask the VA Contracting Officer.
 5. Contractor shall train all of their employees involved in the performance of this contract on their roles and responsibilities for proper handling and nondisclosure of sensitive VA or proprietary information. Contractor personnel shall not engage in any other action, venture or employment wherein sensitive information shall be used for the profit of any party other than those furnishing the information. The sensitive information transferred, generated, transmitted, or stored herein is for VA benefit and ownership alone.
 6. Contractor shall maintain physical security at all facilities housing the activities performed under this contract, including any Contractor facilities according to VA-approved guidelines and directives. The Contractor shall ensure that security procedures are defined and enforced to ensure all personnel who are provided access to patient data must comply with published procedures to protect the privacy and confidentiality of such information as required by VA.
 7. Contractor must adhere to the following:
 - a. The use of "thumb drives" or any other medium for transport of information is expressly prohibited.
 - b. Controlled access to system and security software and documentation.
 - c. Recording, monitoring, and control of passwords and privileges.
 - d. All terminated personnel are denied physical and electronic access to all data, program listings, data processing equipment and systems.
 - e. VA, as well as any Contractor (or Subcontractor) systems used to support development, provide the capability to cancel immediately all access privileges and authorizations upon employee termination.
 - f. Contractor PM and VA PM are informed within twenty-four (24) hours of any employee termination.

- g. Acquisition sensitive information shall be marked "Acquisition Sensitive" and shall be handled as "For Official Use Only (FOUO)".
 - h. Contractor does not require access to classified data.
- 8. Regulatory standard of conduct governs all personnel directly and indirectly involved in procurements. All personnel engaged in procurement and related activities shall conduct business in a manner above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none. The general rule is to strictly avoid any conflict of interest or even the appearance of a conflict of interest in VA/Contractor relationships.

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ADDENDUM B

APPLICABLE PARAGRAPHS TAILORED FROM: *THE VA INFORMATION AND INFORMATION SYSTEM SECURITY/PRIVACY LANGUAGE, VA HANDBOOK 6500.6, APPENDIX C, MARCH 12, 2010*

B1. GENERAL

Contractors, Contractor personnel, Subcontractors, and Subcontractor personnel shall be subject to the same Federal laws, regulations, standards, and VA Directives and Handbooks as VA and VA personnel regarding information and information system security.

B2. ACCESS TO VA INFORMATION AND VA INFORMATION SYSTEMS

a. A Contractor/Subcontractor shall request logical (technical) or physical access to VA information and VA information systems for their employees, Subcontractors, and affiliates only to the extent necessary to perform the services specified in the contract, agreement, or contract.

b. All Contractors, Subcontractors, and third-party servicers and associates working with VA information are subject to the same investigative requirements as those of VA appointees or employees who have access to the same types of information. The level and process of background security investigations for Contractors must be in accordance with VA Directive and Handbook 0710, *Personnel Suitability and Security Program*. The Office for Operations, Security, and Preparedness is responsible for these policies and procedures.

c. Contract personnel who require access to national security programs must have a valid security clearance. National Industrial Security Program (NISP) was established by Executive Order 12829 to ensure that cleared U.S. defense industry contract personnel safeguard the classified information in their possession while performing work on contracts, programs, bids, or research and development efforts. The Department of Veterans Affairs does not have a Memorandum of Agreement with Defense Security Service (DSS). Verification of a Security Clearance must be processed through the Special Security Officer located in the Planning and National Security Service within the Office of Operations, Security, and Preparedness.

d. Custom software development and outsourced operations must be located in the U.S. to the maximum extent practical. If such services are proposed to be performed abroad and are not disallowed by other VA policy or mandates, the Contractor/Subcontractor must state where all non-U.S. services are provided and detail a security plan, deemed to be acceptable by VA, specifically to address mitigation of the

resulting problems of communication, control, data protection, and so forth. Location within the U.S. may be an evaluation factor.

e. The Contractor or Subcontractor must notify the Contracting Officer immediately when an employee working on a VA system or with access to VA information is reassigned or leaves the Contractor or Subcontractor's employ. The Contracting Officer must also be notified immediately by the Contractor or Subcontractor prior to an unfriendly termination.

B3. VA INFORMATION CUSTODIAL LANGUAGE

1. Information made available to the Contractor or Subcontractor by VA for the performance or administration of this contract or information developed by the Contractor/Subcontractor in performance or administration of the contract shall be used only for those purposes and shall not be used in any other way without the prior written agreement of VA. This clause expressly limits the Contractor/Subcontractor's rights to use data as described in Rights in Data - General, FAR 52.227-14(d) (1).

2. VA information should not be co-mingled, if possible, with any other data on the Contractors/Subcontractor's information systems or media storage systems in order to ensure VA requirements related to data protection and media sanitization can be met. If co-mingling must be allowed to meet the requirements of the business need, the Contractor must ensure that VA's information is returned to the VA or destroyed in accordance with VA's sanitization requirements. VA reserves the right to conduct on site inspections of Contractor and Subcontractor IT resources to ensure data security controls, separation of data and job duties, and destruction/media sanitization procedures are in compliance with VA directive requirements.

3. Prior to termination or completion of this contract, Contractor/Subcontractor must not destroy information received from VA, or gathered/created by the Contractor in the course of performing this contract without prior written approval by VA. Any data destruction done on behalf of VA by a Contractor/Subcontractor must be done in accordance with National Archives and Records Administration (NARA) requirements as outlined in VA Directive 6300, *Records and Information Management* and its Handbook 6300.1 *Records Management Procedures*, applicable VA Records Control Schedules, and VA Handbook 6500.1, *Electronic Media Sanitization*. Self-certification by the Contractor that the data destruction requirements above have been met must be sent to the VA Contracting Officer within 30 days of termination of the contract.

4. The Contractor/Subcontractor must receive, gather, store, back up, maintain, use, disclose and dispose of VA information only in compliance with the terms of the contract and applicable Federal and VA information confidentiality and security laws, regulations and policies. If Federal or VA information confidentiality and security laws, regulations and policies become applicable to the VA information or information

systems after execution of the contract, or if NIST issues or updates applicable FIPS or Special Publications (SP) after execution of this contract, the parties agree to negotiate in good faith to implement the information confidentiality and security laws, regulations and policies in this contract.

5. The Contractor/Subcontractor shall not make copies of VA information except as authorized and necessary to perform the terms of the agreement or to preserve electronic information stored on Contractor/Subcontractor electronic storage media for restoration in case any electronic equipment or data used by the Contractor/Subcontractor needs to be restored to an operating state. If copies are made for restoration purposes, after the restoration is complete, the copies must be appropriately destroyed.

6. If VA determines that the Contractor has violated any of the information confidentiality, privacy, and security provisions of the contract, it shall be sufficient grounds for VA to withhold payment to the Contractor or third party or terminate the contract for default or terminate for cause under Federal Acquisition Regulation (FAR) part 12.

7. If a VHA contract is terminated for cause, the associated Business Associate Agreement (BAA) must also be terminated and appropriate actions taken in accordance with VHA Handbook 1600.01, *Business Associate Agreements*. Absent an agreement to use or disclose protected health information, there is no business associate relationship.

8. The Contractor/Subcontractor must store, transport, or transmit VA sensitive information in an encrypted form, using VA-approved encryption tools that are, at a minimum, FIPS 140-2 validated.

9. The Contractor/Subcontractor's firewall and Web services security controls, if applicable, shall meet or exceed VA's minimum requirements. VA Configuration Guidelines are available upon request.

10. Except for uses and disclosures of VA information authorized by this contract for performance of the contract, the Contractor/Subcontractor may use and disclose VA information only in two other situations: (i) in response to a qualifying order of a court of competent jurisdiction, or (ii) with VA's prior written approval. The Contractor/Subcontractor must refer all requests for, demands for production of, or inquiries about, VA information and information systems to the VA contracting officer for response.

11. Notwithstanding the provision above, the Contractor/Subcontractor shall not release VA records protected by Title 38 U.S.C. 5705, confidentiality of medical quality assurance records and/or Title 38 U.S.C. 7332, confidentiality of certain health records pertaining to drug addiction, sickle cell anemia, alcoholism or alcohol abuse, or infection with human immunodeficiency virus. If the Contractor/Subcontractor is in receipt of a

court order or other requests for the above mentioned information, that Contractor/Subcontractor shall immediately refer such court orders or other requests to the VA contracting officer for response.

12. For service that involves the storage, generating, transmitting, or exchanging of VA sensitive information but does not require C&A or a Memorandum of Understanding-Interconnection Service Agreement (MOU-ISA) for system interconnection, the Contractor/Subcontractor must complete a Contractor Security Control Assessment (CSCA) on a yearly basis and provide it to the COR.

B4. INFORMATION SYSTEM DESIGN AND DEVELOPMENT

1. Information systems that are designed or developed for or on behalf of VA at non-VA facilities shall comply with all VA directives developed in accordance with FISMA, HIPAA, NIST, and related VA security and privacy control requirements for Federal information systems. This includes standards for the protection of electronic PHI, outlined in 45 C.F.R. Part 164, Subpart C, information and system security categorization level designations in accordance with FIPS 199 and FIPS 200 with implementation of all baseline security controls commensurate with the FIPS 199 system security categorization (reference Appendix D of VA Handbook 6500, *VA Information Security Program*). During the development cycle a Privacy Impact Assessment (PIA) must be completed, provided to the COR, and approved by the VA Privacy Service in accordance with Directive 6508, *VA Privacy Impact Assessment*.

2. The Contractor/Subcontractor shall certify to the COR that applications are fully functional and operate correctly as intended on systems using the VA Federal Desktop Core Configuration (FDCC), and the common security configuration guidelines provided by NIST or VA. This includes Internet Explorer 7 configured to operate on Windows XP and Vista (in Protected Mode on Vista) and future versions, as required.

3. The standard installation, operation, maintenance, updating, and patching of software shall not alter the configuration settings from the VA approved and FDCC configuration. Information technology staff must also use the Windows Installer Service for installation to the default "program files" directory and silently install and uninstall.

4. Applications designed for normal end users shall run in the standard user context without elevated system administration privileges.

5. The security controls must be designed, developed, approved by VA, and implemented in accordance with the provisions of VA security system development life cycle as outlined in NIST Special Publication 800-37, *Guide for Applying the Risk Management Framework to Federal Information Systems*, VA Handbook 6500,

Information Security Program and VA Handbook 6500.5, Incorporating Security and Privacy in System Development Lifecycle.

6. The Contractor/Subcontractor is required to design, develop, or operate a System of Records Notice (SOR) on individuals to accomplish an agency function subject to the Privacy Act of 1974, (as amended), Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) and applicable agency regulations. Violation of the Privacy Act may involve the imposition of criminal and civil penalties.

7. The Contractor/Subcontractor agrees to:

a. Comply with the Privacy Act of 1974 (the Act) and the agency rules and regulations issued under the Act in the design, development, or operation of any system of records on individuals to accomplish an agency function when the contract specifically identifies:

i. The Systems of Records (SOR); and

ii. The design, development, or operation work that the Contractor/Subcontractor is to perform;

b. Include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a SOR on individuals that is subject to the Privacy Act; and

c. Include this Privacy Act clause, including this subparagraph (3), in all subcontracts awarded under this contract which requires the design, development, or operation of such a SOR

8. In the event of violations of the Act, a civil action may be brought against the agency involved when the violation concerns the design, development, or operation of a SOR on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency when the violation concerns the operation of a SOR on individuals to accomplish an agency function. For purposes of the Act, when the contract is for the operation of a SOR on individuals to accomplish an agency function, the Contractor/Subcontractor is considered to be an employee of the agency.

a. "Operation of a System of Records" means performance of any of the activities associated with maintaining the SOR, including the collection, use, maintenance, and dissemination of records.

b. "Record" means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and contains the person's name, or identifying number, symbol, or any other identifying particular assigned to the individual, such as a fingerprint or voiceprint, or a photograph.

c. "System of Records" means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

9. The vendor shall ensure the security of all procured or developed systems and technologies, including their subcomponents (hereinafter referred to as "Systems"), throughout the life of this contract and any extension, warranty, or maintenance periods. This includes, but is not limited to workarounds, patches, hot fixes, upgrades, and any physical components (hereafter referred to as Security Fixes) which may be necessary to fix all security vulnerabilities published or known to the vendor anywhere in the Systems, including Operating Systems and firmware. The vendor shall ensure that Security Fixes shall not negatively impact the Systems.

10. The vendor shall notify VA within 24 hours of the discovery or disclosure of successful exploits of the vulnerability which can compromise the security of the Systems (including the confidentiality or integrity of its data and operations, or the availability of the system). Such issues shall be remediated as quickly as is practical, based upon the severity of the incident.

11. When the Security Fixes involve installing third party patches (such as Microsoft OS patches or Adobe Acrobat), the vendor will provide written notice to VA that the patch has been validated as not affecting the Systems within 10 working days. When the vendor is responsible for operations or maintenance of the Systems, they shall apply the Security Fixes based upon the requirements identified within the contract.

12. All other vulnerabilities shall be remediated as specified in this paragraph in a timely manner based on risk, but within 60 days of discovery or disclosure. Exceptions to this paragraph (e.g. for the convenience of VA) shall only be granted with approval of the contracting officer and the VA Assistant Secretary for Office of Information and Technology.

B5. INFORMATION SYSTEM HOSTING, OPERATION, MAINTENANCE, OR USE

a. For information systems that are hosted, operated, maintained, or used on behalf of VA at non-VA facilities, Contractors/Subcontractors are fully responsible and accountable for ensuring compliance with all HIPAA, Privacy Act, FISMA, NIST, FIPS, and VA security and privacy directives and handbooks. This includes conducting compliant risk assessments, routine vulnerability scanning, system patching and change management procedures, and the completion of an acceptable contingency plan for each system. The Contractor's security control procedures must be equivalent, to those procedures used to secure VA systems. A Privacy Impact Assessment (PIA) must also be provided to the COR and approved by VA Privacy Service prior to operational approval. All external Internet connections to VA's network involving VA information must be reviewed and approved by VA prior to implementation.

b. Adequate security controls for collecting, processing, transmitting, and storing of Personally Identifiable Information (PII), as determined by the VA Privacy Service, must be in place, tested, and approved by VA prior to hosting, operation, maintenance, or use of the information system, or systems by or on behalf of VA. These security controls are to be assessed and stated within the PIA and if these controls are determined not to be in place, or inadequate, a Plan of Action and Milestones (POA&M) must be submitted and approved prior to the collection of PII.

c. Outsourcing (Contractor facility, Contractor equipment or Contractor staff) of systems or network operations, telecommunications services, or other managed services requires certification and accreditation (authorization) (C&A) of the Contractor's systems in accordance with VA Handbook 6500.3, *Certification and Accreditation* and/or the VA OCS Certification Program Office. Government-owned (Government facility or Government equipment) Contractor-operated systems, third party or business partner networks require memorandums of understanding and interconnection agreements (MOU-ISA) which detail what data types are shared, who has access, and the appropriate level of security controls for all systems connected to VA networks.

d. The Contractor/Subcontractor's system must adhere to all FISMA, FIPS, and NIST standards related to the annual FISMA security controls assessment and review and update the PIA. Any deficiencies noted during this assessment must be provided to the VA contracting officer and the ISO for entry into VA's POA&M management process. The Contractor/Subcontractor must use VA's POA&M process to document planned remedial actions to address any deficiencies in information security policies, procedures, and practices, and the completion of those activities. Security deficiencies must be corrected within the timeframes approved by the Government. Contractor/Subcontractor procedures are subject to periodic, unannounced assessments by VA officials, including the VA Office of Inspector General. The physical security aspects associated with Contractor/Subcontractor activities must also be subject to such assessments. If major changes to the system occur that may affect the privacy or security of the data or the system, the C&A of the system may need to be reviewed, retested and re-authorized per VA Handbook 6500.3. This may require reviewing and updating all of the documentation (PIA, System Security Plan, and

Contingency Plan). The Certification Program Office can provide guidance on whether a new C&A would be necessary.

e. The Contractor/Subcontractor must conduct an annual self assessment on all systems and outsourced services as required. Both hard copy and electronic copies of the assessment must be provided to the COR. The Government reserves the right to conduct such an assessment using Government personnel or another Contractor/Subcontractor. The Contractor/Subcontractor must take appropriate and timely action (this can be specified in the contract) to correct or mitigate any weaknesses discovered during such testing, generally at no additional cost.

f. VA prohibits the installation and use of personally-owned or Contractor/Subcontractor owned equipment or software on VA's network. If non-VA owned equipment must be used to fulfill the requirements of a contract, it must be stated in the service agreement, SOW or contract. All of the security controls required for Government furnished equipment (GFE) must be utilized in approved other equipment (OE) and must be funded by the owner of the equipment. All remote systems must be equipped with, and use, a VA-approved antivirus (AV) software and a personal (host-based or enclave based) firewall that is configured with a VA approved configuration. Software must be kept current, including all critical updates and patches. Owners of approved OE are responsible for providing and maintaining the anti-viral software and the firewall on the non-VA owned OE.

g. All electronic storage media used on non-VA leased or non-VA owned IT equipment that is used to store, process, or access VA information must be handled in adherence with VA Handbook 6500.1, *Electronic Media Sanitization* upon: (i) completion or termination of the contract or (ii) disposal or return of the IT equipment by the Contractor/Subcontractor or any person acting on behalf of the Contractor/Subcontractor, whichever is earlier. Media (hard drives, optical disks, CDs, back-up tapes, etc.) used by the Contractors/Subcontractors that contain VA information must be returned to VA for sanitization or destruction or the Contractor/Subcontractor must self-certify that the media has been disposed of per 6500.1 requirements. This must be completed within 30 days of termination of the contract.

h. Bio-Medical devices and other equipment or systems containing media (hard drives, optical disks, etc.) with VA sensitive information must not be returned to the vendor at the end of lease, for trade-in, or other purposes. The options are:

- 1) Vendor must accept the system without the drive;
- 2) VA's initial medical device purchase includes a spare drive which must be installed in place of the original drive at time of turn-in; or

- 3) VA must reimburse the company for media at a reasonable open market replacement cost at time of purchase.
- 4) Due to the highly specialized and sometimes proprietary hardware and software associated with medical equipment/systems, if it is not possible for VA to retain the hard drive, then;
 - a) The equipment vendor must have an existing BAA if the device being traded in has sensitive information stored on it and hard drive(s) from the system are being returned physically intact; and
 - b) Any fixed hard drive on the device must be non-destructively sanitized to the greatest extent possible without negatively impacting system operation. Selective clearing down to patient data folder level is recommended using VA approved and validated overwriting technologies/methods/tools. Applicable media sanitization specifications need to be preapproved and described in the purchase order or contract.
 - c) A statement needs to be signed by the Director (System Owner) that states that the drive could not be removed and that (a) and (b) controls above are in place and completed. The ISO needs to maintain the documentation.

B6. SECURITY INCIDENT INVESTIGATION

- a. The term “security incident” means an event that has, or could have, resulted in unauthorized access to, loss or damage to VA assets, or sensitive information, or an action that breaches VA security procedures. The Contractor/Subcontractor shall immediately notify the COR and simultaneously, the designated ISO and Privacy Officer for the contract of any known or suspected security/privacy incidents, or any unauthorized disclosure of sensitive information, including that contained in system(s) to which the Contractor/Subcontractor has access.
- b. To the extent known by the Contractor/Subcontractor, the Contractor/Subcontractor’s notice to VA shall identify the information involved, the circumstances surrounding the incident (including to whom, how, when, and where the VA information or assets were placed at risk or compromised), and any other information that the Contractor/Subcontractor considers relevant.
- c. With respect to unsecured protected health information, the business associate is deemed to have discovered a data breach when the business associate knew or should have known of a breach of such information. Upon discovery, the business associate

must notify the covered entity of the breach. Notifications need to be made in accordance with the executed business associate agreement.

d. In instances of theft or break-in or other criminal activity, the Contractor/Subcontractor must concurrently report the incident to the appropriate law enforcement entity (or entities) of jurisdiction, including the VA OIG and Security and Law Enforcement. The Contractor, its employees, and its Subcontractors and their employees shall cooperate with VA and any law enforcement authority responsible for the investigation and prosecution of any possible criminal law violation(s) associated with any incident. The Contractor/Subcontractor shall cooperate with VA in any civil litigation to recover VA information, obtain monetary or other compensation from a third party for damages arising from any incident, or obtain injunctive relief against any third party arising from, or related to, the incident.

B7. LIQUIDATED DAMAGES FOR DATA BREACH

Consistent with the requirements of 38 U.S.C. §5725, a contract may require access to sensitive personal information. If so, the Contractor is liable to VA for liquidated damages in the event of a data breach or privacy incident involving any SPI the Contractor/Subcontractor processes or maintains under this contract.

a. The Contractor/Subcontractor shall provide notice to VA of a “security incident” as set forth in the Security Incident Investigation section above. Upon such notification, VA must secure from a non-Department entity or the VA Office of Inspector General an independent risk analysis of the data breach to determine the level of risk associated with the data breach for the potential misuse of any sensitive personal information involved in the data breach. The term 'data breach' means the loss, theft, or other unauthorized access, or any access other than that incidental to the scope of employment, to data containing sensitive personal information, in electronic or printed form, that results in the potential compromise of the confidentiality or integrity of the data. Contractor shall fully cooperate with the entity performing the risk analysis. Failure to cooperate may be deemed a material breach and grounds for contract termination.

b. Each risk analysis shall address all relevant information concerning the data breach, including the following:

- 1) Nature of the event (loss, theft, unauthorized access);
- 2) Description of the event, including:
 - a) date of occurrence;
 - b) data elements involved, including any PII, such as full name, social security number, date of birth, home address, account number, disability code;
- 3) Number of individuals affected or potentially affected;

- 4) Names of individuals or groups affected or potentially affected;
- 5) Ease of logical data access to the lost, stolen or improperly accessed data in light of the degree of protection for the data, e.g., unencrypted, plain text;
- 6) Amount of time the data has been out of VA control;
- 7) The likelihood that the sensitive personal information will or has been compromised (made accessible to and usable by unauthorized persons);
- 8) Known misuses of data containing sensitive personal information, if any;
- 9) Assessment of the potential harm to the affected individuals;
- 10) Data breach analysis as outlined in 6500.2 Handbook, *Management of Security and Privacy Incidents*, as appropriate; and
- 11) Whether credit protection services may assist record subjects in avoiding or mitigating the results of identity theft based on the sensitive personal information that may have been compromised.

c. Based on the determinations of the independent risk analysis, the Contractor shall be responsible for paying to the VA liquidated damages in the amount of \$37.50 per affected individual to cover the cost of providing credit protection services to affected individuals consisting of the following:

- 1) Notification;
- 2) One year of credit monitoring services consisting of automatic daily monitoring of at least 3 relevant credit bureau reports;
- 3) Data breach analysis;
- 4) Fraud resolution services, including writing dispute letters, initiating fraud alerts and credit freezes, to assist affected individuals to bring matters to resolution;
- 5) One year of identity theft insurance with \$20,000.00 coverage at \$0 deductible; and
- 6) Necessary legal expenses the subjects may incur to repair falsified or damaged credit records, histories, or financial affairs.

B8. SECURITY CONTROLS COMPLIANCE TESTING

On a periodic basis, VA, including the Office of Inspector General, reserves the right to evaluate any or all of the security controls and privacy practices implemented by the Contractor under the clauses contained within the contract. With 10 working-days' notice, at the request of the Government, the Contractor must fully cooperate and assist in a Government-sponsored security controls assessment at each location wherein VA

information is processed or stored, or information systems are developed, operated, maintained, or used on behalf of VA, including those initiated by the Office of Inspector General. The Government may conduct a security control assessment on shorter notice (to include unannounced assessments) as determined by VA in the event of a security incident or at any other time.

B9. TRAINING

- a. All Contractor employees and Subcontractor employees requiring access to VA information and VA information systems shall complete the following before being granted access to VA information and its systems:
 - 1) Sign and acknowledge (either manually or electronically) understanding of and responsibilities for compliance with the *Contractor Rules of Behavior*, Appendix D relating to access to VA information and information systems;
 - 2) Successfully complete the *VA Privacy and Information Security Awareness and Rules of Behavior* training and annually complete required security training;
 - 3) Successfully complete *VHA Privacy Policy Training* if Contractor will have access to PHI;
 - 4) Successfully complete the appropriate VA privacy training and annually complete required privacy training; and
 - 5) Successfully complete any additional cyber security or privacy training, as required for VA personnel with equivalent information system access
- b. The Contractor shall provide to the contracting officer and/or the COR a copy of the training certificates and certification of signing the Contractor Rules of Behavior for each applicable employee within 1 week of the initiation of the contract and annually thereafter, as required.
- c. Failure to complete the mandatory annual training and sign the Rules of Behavior annually, within the timeframe required, is grounds for suspension or termination of all physical or electronic access privileges and removal from work on the contract until such time as the training and documents are complete.