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7 Attorneys for Defendant
California Institute of Technology
8

9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11

12 Robert M. Nelson, William Bruce)
Banerdt, Julia Bell, Josette Bellan,)
13 Dennis V. Byrnes, George Carlisle, Kent)
Robert Crossin, Larry R. D'Addario,)
14 Riley M. Duren, Peter R. Eienhardt,)
Susan D.J. Foster, Matthew P.)
15 Golombek, Varoujan Gorjian, Zareh)
Gorjian, Robert J. Haw, James Kulleck,)
16 Sharon L. Laubach, Christian A.)
Lindensmith, Amanda Mainzer, Scott)
17 Maxwell, Timothy P. McElrath, Susan)
Paradise, Konstantin Penanen, Celeste M.)
18 Satter, Peter M.B. Shames, Amy Snyder)
Hale, William John Walker and Paul R.)
19 Weissman,)

20 Plaintiffs,)

21 vs.)

22 National Aeronautical and Space Agency,)
an Agency of the United States; Michael)
23 Griffin, Director of NASA, in his official)
capacity only; Department of Commerce;)
24 Carlos M. Gutierrez, Secretary of)
Commerce, in his official capacity only;)
25 California Institute of Technology; and)
Does 1-100,)
26

27 Defendants.)
28

Case No. CV-07-05669 ODW (VBKx)

**DECLARATION OF STEPHEN
PROIA IN SUPPORT OF
CALIFORNIA INSTITUTE OF
TECHNOLOGY'S OPPOSITION TO
PLAINTIFFS MOTION FOR
PRELIMINARY INJUNCTION**

Hearing Date: October 1, 2007
Time: 4:00 pm
Courtroom: 11

Complaint Filed: August 30, 2007

1 I, Stephen Proia, declare as follows:

2 1. I am the Deputy Director for Business Operations and Deputy Chief
3 Financial Officer for the Jet Propulsion Laboratory ("JPL"). I have been employed
4 by the California Institute of Technology ("Caltech") at JPL in various capacities for
5 23 years. I submit this Declaration in support of Caltech's Opposition to Plaintiffs'
6 Motion for Preliminary Injunction, and if called upon to testify would competently
7 testify as follows:

8 2. Caltech is a small, non-profit university located in Pasadena, California.
9 It is known as one of the world's pre-eminent research institutes dedicated to the
10 study of science.

11 3. For more than fifty years, Caltech has managed JPL pursuant to a prime
12 contract with NASA. JPL is a federal facility that is the leading U.S. center for all
13 robotic exploration of the solar system. JPL is located on federal land and all JPL
14 facilities are wholly owned by the federal government. Caltech manages the facility
15 and hires employees to work at JPL for the benefit of NASA as a "Federally Funded
16 Research and Development Center." Caltech's prime contract with NASA explicitly
17 states: "[n]otwithstanding the special relationship created by this sponsoring
18 agreement, the California Institute of Technology is acting as a contractor and not as
19 an agent of the Government." See Prime Contract § B-1(b) (Ex. L to Plaintiff Susan
20 Foster Decl.).

21 4. As Deputy Director of Business Operations of JPL, one of my
22 responsibilities includes overseeing the administration of Caltech's prime contract
23 with NASA and ensuring compliance.

24 5. Caltech's prime contract with NASA requires Caltech to comply with
25 certain government policies, including executive orders of the President. Section G-
26 14 of that contract allows NASA to unilaterally modify the contract and require
27 Caltech to comply with federal government requirements not previously specified in
28 the contract at any time.

1 6. Sections G-14(c) and G-14(d) of the contract provide for NASA's ability
2 to add requirements to the prime contract under two different scenarios. Section G-
3 14(c) says, among other things, that when NASA seeks to incorporate a new
4 government policy into the contract in "non-exigent circumstances," Caltech has the
5 ability to object to the application of the policy and present a case for why it should
6 not be incorporated, or Caltech may alternatively suggest implementation of an
7 alternative policy that would be functionally equivalent to the government policy at
8 issue. But in "exigent circumstances," pursuant to Section G-14(d) NASA may
9 unilaterally order Caltech to comply with a government policy and the requirements
10 specified for implementation of the policy without input or modification by Caltech.

11 7. On or about September 26, 2006, NASA sent JPL a letter informing
12 Caltech that NASA intended to incorporate into the Caltech prime contract a
13 "Personal Identity Verification Card Issuance Procedure" ("PIV") mandated by
14 Homeland Security Presidential Directive No. 12 (HSBD-12). The procedure was
15 based on Federal Information Processing Standards Publication No. 201-1 ("FIPS
16 201-1") identifying the procedures to follow in order to comply with HSPD-12 and
17 described in NASA Procurement Information Circular ("PIC") 06-01, Personal
18 Identity Verification of Contractors dated January 18, 2006. The letter included a
19 copy of the PIC and requested that the PIC procedures be incorporated in the
20 contract. A true and correct copy of NASA's September 26, 2006 letter with
21 Procurement Information Circular 06-01 is attached as Exhibit 7.

22 8. On or about November 27, 2006 Caltech sent NASA a letter stating that
23 Caltech objected to the incorporation of the PIC into its contract, and suggesting its
24 own contract modification to NASA. A true and correct copy of Caltech's November
25 27, 2006 letter is attached as Exhibit 8.

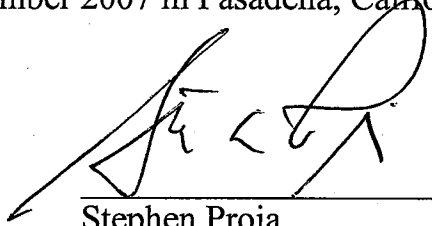
26 9. NASA responded to Caltech in a January 29, 2007 letter stating that
27 pursuant to Clause G-14(d) of the parties' contract Caltech had no choice — NASA
28 was "unilaterally" mandating JPL to "immediately comply" with the requirements of

1 the PIC and the procedures for PIV card issuance. NASA said that the government
2 had determined that exigent circumstances existed, which allowed NASA to
3 unilaterally mandate Caltech to comply with the PIV card issuance procedures.
4 NASA also included a modification to the contract executed by NASA on January
5 29, 2007 that Caltech "is hereby directed to comply with the attached Personal
6 Identity Verification (PIV) Card Issuance Procedures referenced under NASA
7 Procurement Information Circular 06-01, dated January 18, 2006." A true and
8 correct copy of NASA's January 29, 2007 letter enclosing Contract Modification No.
9 39 dated January 29, 2007 is attached as Exhibit 9.

10 10. On or about April 19, 2007 the contract was further modified to require
11 that Caltech submit a plan for complying with PIC 06-01 among other things. In
12 order to carry out the mandate, the modification provided that the government would
13 provide as "Government Furnished Property or Services:" (1) four badge issuing
14 systems, including software; (2) printed credentials for the higher security PIV-II
15 badges; (3) access to the Office of Personnel Management's "Electronic
16 Questionnaires for Investigations Processing ("e-QIP") system for the background
17 investigations required by PIV"; and (4) "suitability determinations and adjudication"
18 regarding who would and would not receive a badge. According to provision (d)(v),
19 Caltech's role in NASA's mandatory process was to "perform the roles and
20 responsibilities which are not inherently governmental (e.g. Sponsor; Enrollment
21 Officer; Issuer)." A true and correct copy of Contract Modification No. 45 dated
22 April 19, 2007 is attached as Exhibit 10.

1 I declare under penalty of perjury under the laws of the United States that the
2 foregoing is true and correct.

3 Executed this 21 day of September 2007 in Pasadena, California.

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7 Stephen Proia

8 Deputy Director for Business Operations
9 and Deputy Chief Financial Officer
10 California Institute of Technology

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National Aeronautics and
Space Administration
Jet Propulsion Laboratory
NASA Management Office
4800 Oak Grove Drive
Pasadena, CA 91109-8099



Reply to Attn of:

RC000/NMO

September 26, 2006

Jet Propulsion Laboratory
California Institute of Technology
Attn: Mr. Ramon Lemus, Manager
Contracts Management Section
4800 Oak Grove Drive
Pasadena, CA 91109

Subject: NASA Procurement Information Circular (PIC) 06-01, *Personal Identity Verification of Contractors* dated January 18, 2006

Reference: Modification No. 32 to Contract NAS7-03001

Dear Mr. Lemus:

The referenced modification facilitated placement of Federal Acquisition Regulation (FAR) 52.204-9 on the prime contract. However, it was recently brought to the NMO's attention that the subject PIC also requires inclusion of a related attachment as mandated by Homeland Security Presidential Direct (HSPD) 12 entitled *Personal Identity Verification (PIV) Card Issuance Procedures*. We have determined the prime contract is subject to this additional requirement.

Attached is a copy of PIC 06-01. You are requested to review the enclosure requirements and advise this office should you have any objection to their inclusion into the contract. For your planning purposes, the NASA Headquarters Office of Procurement has requested we incorporate this requirement by November 30, 2006.

To support this suspense, please submit your response to the attention of the undersigned by October 13, 2006. Thank you for your cooperation and prompt attention to this matter.

A handwritten signature in cursive script that reads "Robert A. Democh".

Robert A. Democh
Contracting Officer

Contracts Management Office

Attachment

SEP 27 2006

CMO _____ Refer _____
File _____
Action _____



National Aeronautics and
Space Administration
Washington, DC 20546

Procurement Information Circular

PIC 06-01

January 18, 2006

PERSONAL IDENTITY VERIFICATION OF CONTRACTORS

PURPOSE: To implement the contractor credentialing requirements of Homeland Security Presidential Directive 12 (HSPD-12), "Policy for a Common Identification Standard for Federal Employees and Contractors", and Federal Information Processing Standards Publication (FIPS PUB) Number 201, "Personal Identity Verification (PIV) of Federal Employees and Contractors".

BACKGROUND: HSPD-12 and FIPS PUB 201 require agencies to establish and implement procedures to create and use a Governmentwide secure and reliable form of identification for their Federal employees and contractors. (See <http://www.csro.nist.gov/publications/fips/fips201/FIPS-201-022505.pdf>.) On January 3, 2006, FAC 2005-07 published an interim rule, Common Identification Standard for Contractors, that implemented HSPD-12 and FIPS PUB 201. (See <http://a257.g.akamaitech.net/7/257/2422/01jan20061800/edocket.access.gpo.gov/2006/05-24547.htm>.) Because of the implementation time line in HSPD-12, the FAR change applies to solicitations and contracts issued or awarded on or after October 27, 2005, and requires contracting officers to include new clause 52.204-9, Personal Identity Verification of Contractor Personnel, in solicitations and contracts whenever contract performance requires contractors to have physical access to a federally-controlled facility or access to a Federal information system, irrespective of contract value. Both of these latter terms are defined in FAR 2.101(b). Agency processes that implement FIPS Pub 201 were required to be in place by October 27, 2005. An NPD and NPR are being developed, and an NFS revision will establish the processes formally. This PIC provides those processes on an interim basis.

GUIDANCE: 1. Contracting officers must—

- a. Include FAR clause 52.204-9, Personal Identity Verification of Contractor, in all solicitations and contracts issued or awarded on or after October 27, 2005, when contract performance requires contractors to have physical access to a federally-controlled facility or access to a Federal information system. Such contracts that will be physically complete prior to October 27, 2007, do not need to be modified to include the new clause. However, contracting officers should consider modifying these contracts if there is a reasonable expectation that the contractor will be continuing to perform on a follow-on contract or another contract that employs the same individuals who will require such access; and
- b. Include the attached PIV Card Issuance Procedures that implement FIPS PUB 201 in these solicitations and contracts.

2. The Procurement Officer should forward this PIC to appropriate Center offices responsible for physical security. Complementary guidance is being concurrently issued to the Centers by the NASA Office of Security and Program Protection.

EFFECTIVE DATE: This PIC is effective as dated and shall remain in effect until canceled or superseded.

HEADQUARTERS CONTACTS: For procurement issues contact Ken Sateriale, Office of Procurement, Contract Management Division, (202) 358-0491, e-mail: Ken.Sateriale@nasa.gov. For badging issues contact William Morrison (202) 358-0773, e-mail: William.Morrison-1@nasa.gov.

Lou Becker
Acting Director, Contract Management Division

Enclosure

DISTRIBUTION:
PIC List

Enclosure to PIC 06-01

PIV Card Issuance Procedures in accordance with FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel

FIPS 201 Appendix A graphically displays the following procedure for the issuance of a PIV credential.

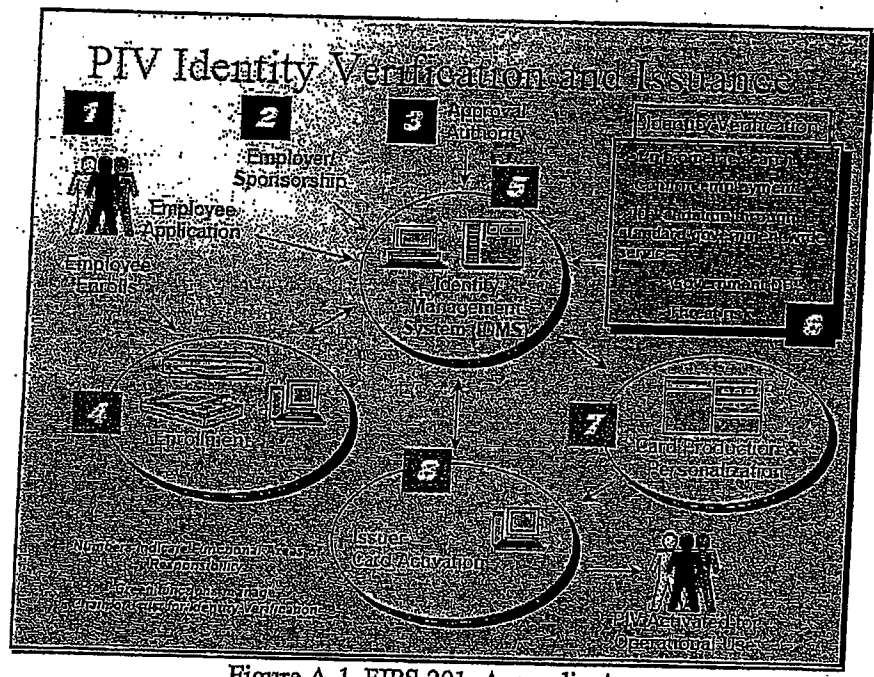


Figure A-1, FIPS 201, Appendix A

The following steps describe the procedures for the NASA Personal Identity Verification Card Issuance (PCI) of a PIV credential:

Step 1:

The Contractor's Corporate Security Officer (CSO), Program Manager (PM), or Facility Security Officer (FSO) submits a formal letter that provides a list of contract employees (applicant) names requesting access to the NASA Contracting Officer's Technical Representative (COTR). In the case of a foreign national applicant, approval through the NASA Foreign National Management System (NFMNS) must be obtained for the visit or assignment before any processing for a PIV credential can take place. Further, if the foreign national is not under a contract where a COTR has been officially designated, the foreign national will provide the information directly to their visit/assignment host, and the host sponsor will fulfill the duties of the COTR mentioned herein. In each case, the letter shall provide notification of the contract or foreign national employee's (hereafter the "applicant") full name (first, middle and last), social security number (SSN) or NASA Foreign National Management System Visitor Number if the foreign national does not have a SSN, and date of birth. If the contract employee has a current satisfactorily completed

National Agency Check with Inquiries (NACI) or an equivalent or higher degree of background investigation, the letter shall indicate the type of investigation, the agency completing the investigation, and date the investigation was completed. Also, the letter must specify the risk/sensitivity level associated with the position in which each applicant will be working (NPR 1600.1, §4.5 is germane) Further, the letter shall also acknowledge that contract employees may be denied access to NASA information or information systems based on an unsatisfactory background investigation/adjudication. .

After reviewing the letter for completeness and concurring with the risk/sensitivity levels, the COTR/host must forward the letter to the Center Chief of Security (CCS). The CCS shall review the OPM databases (e.g., DCII, PIP, et al.), and take appropriate steps to validate the applicant's investigation status. Requirements for a NACI or other investigation shall be initiated only if necessary.

Applicants who do not currently possess the required level of background investigation shall be directed to the e-QIP web site to complete the necessary background investigation forms online. The CCS shall provide to the COTR/host information and instructions on how to access the e-QIP for each contract or foreign national employee requiring access

Step 2:

Upon acceptance of the letter/background information, the applicant will be advised that in order to complete the investigative process, he or she must appear in-person before the authorized PIV registrar and submit two forms of identity source documents in original form. The identity source documents must come from the list of acceptable documents included in Form I-9, Employment Eligibility Verification, one which must be a Federal¹ or State issued picture identification. Fingerprints will be taken at this time. The applicant must appear no later than the entry on duty date.

When the applicant appears, the registrar will electronically scan the submitted documents; any document that appears invalid will be rejected by the registrar. The registrar will capture electronically both a facial image and fingerprints of the applicant. The information submitted by the applicant will be used to create or update the applicant identity record in the Identity Management System (IDMS).

Step 3:

Upon the applicant's completion of the investigative document, the CCS reviews the information, and resolves discrepancies with the applicant as necessary. When the applicant has appeared in person and completed fingerprints, the package is electronically submitted to initiate the NACI. The CCS includes a request for feedback on the NAC portion of the NACI at the time the request is submitted.

Step 4:

¹ A non-PIV government identification badge, including the NASA Photo Identification Badge, MAY NOT BE USED for the original issuance of a PIV vetted credential

Prior to authorizing physical access of a contractor employee to a federally-controlled facility or access to a Federal information system, the CCS will ensure that a check has been performed with the National Crime Information Center (NCIC) and Interstate Identification Index. In the case of a foreign national, a national check of the Bureau of Immigration and Customs Enforcement (BICE) database will be performed for each applicant. If this process yields negative information, the CCS will immediately notify the COTR/host of the determination regarding access made by the CCS:

Step 5:

Upon receipt of the completed NAC, the CCS will update IDMS from the NAC portion of the NACI and indicate the result of the suitability determination. If an unsatisfactory suitability determination is rendered, the COTR will advise the contractor that the employee is being denied physical access to all federally-controlled facilities and Federal information systems.

Based on a favorable NAC and NCIC/III or BICE check, the CCS will authorize the issuance of a PIV federal credential in the Physical Access Control System (PACS) database. The CCS, based on information provided by the COTR/host, will determine what physical access the applicant should be granted once the PIV issues the credential.

Step 6:

Using the information provided by the applicant during his or her in-person appearance, the PIV card production facility creates and instantiates the approved PIV card for the applicant with an activation date commensurate with the applicant's start date.

Step 7:

The applicant proceeds to the credential issuance facility to begin processing for receipt of his/her federal credential.

The applicant provides to the credential issuing operator proof of identity with documentation that meets the requirements of FIPS 201 (DHS Employment Eligibility Verification (Form I-9) documents. These documents must be the same documents submitted for registration.

The credential issuing operator will verify that the facial image, and optionally reference finger print, matches the enrollment data used to produce the card. Upon verification of identity, the operator will locate the employee's record in the PACS database, and modify the record to indicate the PIV card has been issued. The applicant will select a PIN for use with his or her new PIV card. Although root data is inaccessible to the operator, certain fields (hair color, eye color, et al.) may be modified to more accurately record the employee's information.

The applicant proceeds to a kiosk or other workstation to complete activation of the PIV card using the initial PIN entered at card issuance.

**ALTERNATIVE FOR APPLICANTS WHO DO NOT HAVE A COMPLETED AND
ADJUDICATED NAC AT THE TIME OF ENTRANCE ON DUTY**

Steps 1 through 4 shall be accomplished for all applicants in accordance with the process described above. If the applicant is unable to appear in person until the time of entry on duty, or does not, for any other reason, have a completed and adjudicated NAC portion of the NACI at the time of entrance on duty, the following interim procedures shall apply.

1. If the documents required to submit the NACI have not been completed prior to EOD, the applicant will be instructed to complete all remaining requirements for submission of the investigation request. This includes presentation of I-9 documents and completion of fingerprints, if not already accomplished. If the applicant fails to complete these activities as prescribed in NPR 1600.1 (Chapters 3 & 4), it may be considered as failure to meet the conditions required for physical access to a federally-controlled facility or access to a Federal information system, and result in denial of such access.
2. Based on favorable results of the NCIC, the applicant shall be issued a temporary NASA identification card for a period not-to-exceed six months. If at the end of the six month period the NAC results have not been returned, the agency will at that time make a determination if an additional extension will be granted for the temporary identification card.
3. Upon return of the completed NAC, the process will continue from Step 5.



Jet Propulsion Laboratory
California Institute of Technology
4800 Oak Grove Drive
Pasadena, California 91109-8099

November 27, 2006

Refer to: 211-2006-353R

National Aeronautics and
Space Administration

NASA Management Office
Jet Propulsion Laboratory
4800 Oak Grove Drive
Pasadena, CA 91109

Attention: Mr. Bob Democh
Contracting Officer

Subject: NASA Procurement Information Circular (PIC) 06-01, Personal Identity Verification of
Contractors, dated January 18, 2006

- Reference: A. NMO Letter, Same Subject, (Democh/Lemus) dated September 26, 2006
B. JPL Letter Regarding NPR 1600.1 NASA Security Program Procedural Requirements Impact
Assessment, Reference No. 211-2006-143R (Risher/Chapman), dated April 28, 2006
C. Prime Contract NAS7-03001, Clause H-37, Security

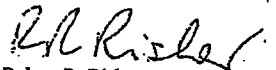
Dear Mr. Democh:

JPL has reviewed NMO's request to incorporate the subject NASA Procurement Information Circular (PIC) into the Prime Contract. JPL does not think that it is appropriate to incorporate the PIC, which has a significant amount of non-contractual language.

Also because there is substantive overlap between the requirements of the PIC and NPR 1600.1, "NASA Security Program Requirements," we are in the process of preparing a Modification on this subject which will be submitted under separate cover for NASA's consideration.

If you have any questions, please call me at 818/354-2975.

Sincerely,


Robert R. Risher
Principal Contract Administrator
Contract Administration Office

cc: Randy Aden
Jay Brar
Steve Halperin
Dale Johnson
Ray Lemus
Jean Milbrandt
Steve Proia

Tom Renfrow
Jim Rinaldi
Vicki Stratman
Jerry Suitor
Jeff Lupis - NMO
Tom Servilla - NMO
File

National Aeronautics and
Space Administration
Office of Program and Institutional Integration



NASA Management Office

180-801
4800 Oak Grove Drive
Pasadena, CA 91109-8099

Reply to Attn of: **RC000/NMO**

January 29, 2007

Jet Propulsion Laboratory
California Institute of Technology
Attn: Mr. Ramon Lemus, Manager
Contracts Management Office
4800 Oak Grove Drive
Pasadena, CA 91109

Subject: Contract NAS7-03001, Modification No. 39, NASA Procurement Information
Circular (PIC) 06-01, Personal Identity Verification (PIV) of Contractors

Dear Mr. Lemus:

In accordance with Section G-14 (d) of the subject contract, the enclosed modification is issued unilaterally following a determination by the Government that exigent circumstances exist. This exigency necessitates placement of the PIV card issuance procedures associated with the subject PIC on the prime contract. JPL shall immediately comply with the added requirements contained therein.

This modification is further issued pursuant to FAR 52.243-2, Changes - Cost Reimbursement Alternatives IV/V.

Thank you for your cooperation in this matter. Please contact the undersigned at extension 4-6050 if you have any questions.

A handwritten signature in black ink that reads "Robert A. Democh".

Robert A. Democh
Contracting Officer

Enclosure

DUPLICATE ORIGINAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE OF PAGES

2. AMENDMENT/MODIFICATION NO.

39

3. EFFECTIVE DATE
01/29/2007

4. REQUISITION/PURCHASE REQ. NO.
N/A

6. PROJECT NO. (if applicable)

6. ISSUED BY

CODE

NMO

7. ADMINISTERED BY (if other than Item 6)

CODE

NMO

NASA/Management Office
4800 Oak Grove Drive
M/S 180-802
Pasadena CA 91109

NASA/Management Office
4800 Oak Grove Drive
M/S 180-802
Pasadena CA 91109

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

CALIFORNIA INSTITUTE OF TECHNOLOGY
Attn: NONE SPECIFIED
1201 EAST CALIFORNIA BLVD.
PASADENA CA 91125

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

10A. MODIFICATION OF CONTRACT/ORDER NO.
NAS 7-03001

10B. DATED (SEE ITEM 11)

11/26/2002

CODE

FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 6 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)

N/A

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

CHECK ONE

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

X

B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

D. OTHER (Specify type of modification and authority)

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

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

Authority: Contract Clause G-14(d), NASA Issuance Systems and Government Policies, and FAR Clause 52.243-2, Changes - Cost Reimbursement Alternative IV/V.

In conjunction with Homeland Security Presidential Directive (HSPD) 12, and FAR Clause 52.204-9, Personal Identity Verification of Contractor Personnel, the Contractor is hereby directed to comply with the attached Personal Identity Verification (PIV) Card Issuance Procedures referenced under NASA Procurement Information Circular 06-01, dated January 10, 2006.
End of Modification

Except as provided herein, all terms and conditions of the document referenced in Item 8A or 10A, as heretofore changed, remain unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)

15B. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

Robert Democh

16B. CONTRACTOR/OFFEROR

16C. DATE SIGNED

16A. UNITED STATES OF AMERICA

16C. DATE SIGNED

Robert J Democh
(Signature of Contracting Officer)

01/29/2007

(Signature of person authorized to sign)

NSN 7540-01-152-6070
Previous edition unusable

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

PIV Card Issuance Procedures in accordance with FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel

FIPS 201 Appendix A graphically displays the following procedure for the issuance of a PIV credential.

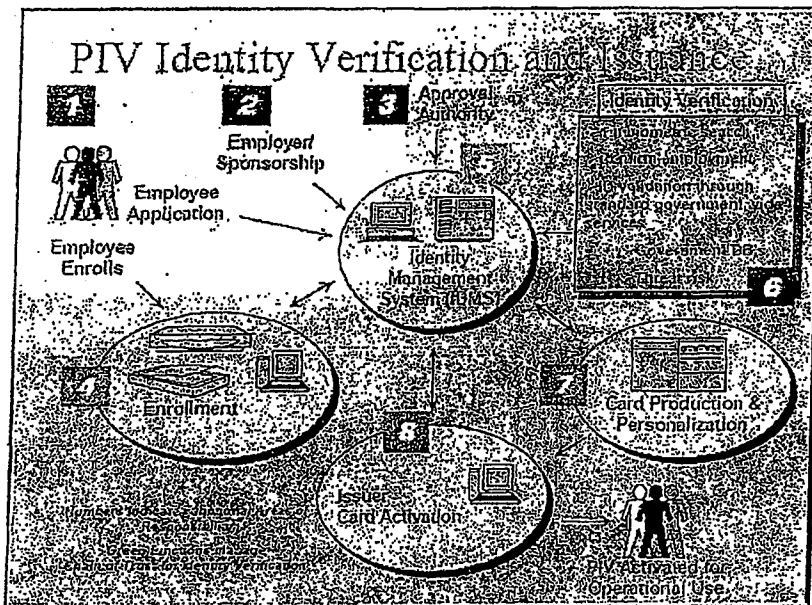


Figure A-1, FIPS 201, Appendix A

The following steps describe the procedures for the NASA Personal Identity Verification Card Issuance (PCI) of a PIV credential:

Step 1:

The Contractor's Corporate Security Officer (CSO), Program Manager (PM), or Facility Security Officer (FSO) submits a formal letter that provides a list of contract employees (applicant) names requesting access to the NASA Contracting Officer's Technical Representative (COTR). In the case of a foreign national applicant, approval through the NASA Foreign National Management System (NFNMS) must be obtained for the visit or assignment before any processing for a PIV credential can take place. Further, if the foreign national is not under a contract where a COTR has been officially designated, the foreign national will provide the information directly to their visit/assignment host, and the host sponsor will fulfill the duties of the COTR mentioned herein. In each case, the letter shall provide notification of the contract or foreign national employee's (hereafter the "applicant") full name (first, middle and last), social security number (SSN) or NASA Foreign National Management System Visitor Number if the foreign national does not have a SSN, and date of birth. If the contract employee has a current satisfactorily completed

National Agency Check with Inquiries (NACI) or an equivalent or higher degree of background investigation, the letter shall indicate the type of investigation, the agency completing the investigation, and date the investigation was completed. Also, the letter must specify the risk/sensitivity level associated with the position in which each applicant will be working (NPR 1600.1, §4.5 is germane) Further, the letter shall also acknowledge that contract employees may be denied access to NASA information or information systems based on an unsatisfactory background investigation/adjudication.

After reviewing the letter for completeness and concurring with the risk/sensitivity levels, the COTR/host must forward the letter to the Center Chief of Security (CCS). The CCS shall review the OPM databases (e.g., DCIL, PIP, et al.), and take appropriate steps to validate the applicant's investigation status. Requirements for a NACI or other investigation shall be initiated only if necessary.

Applicants who do not currently possess the required level of background investigation shall be directed to the e-QIP web site to complete the necessary background investigation forms online. The CCS shall provide to the COTR/host information and instructions on how to access the e-QIP for each contract or foreign national employee requiring access

Step 2:

Upon acceptance of the letter/background information, the applicant will be advised that in order to complete the investigative process, he or she must appear in-person before the authorized PIV registrar and submit two forms of identity source documents in original form. The identity source documents must come from the list of acceptable documents included in Form I-9, Employment Eligibility Verification, one which must be a Federal¹ or State issued picture identification. Fingerprints will be taken at this time. The applicant must appear no later than the entry on duty date.

When the applicant appears, the registrar will electronically scan the submitted documents; any document that appears invalid will be rejected by the registrar. The registrar will capture electronically both a facial image and fingerprints of the applicant. The information submitted by the applicant will be used to create or update the applicant identity record in the Identity Management System (IDMS).

Step 3:

Upon the applicant's completion of the investigative document, the CCS reviews the information, and resolves discrepancies with the applicant as necessary. When the applicant has appeared in person and completed fingerprints, the package is electronically submitted to initiate the NACI. The CCS includes a request for feedback on the NAC portion of the NACI at the time the request is submitted.

Step 4:

¹ A non-PIV government identification badge, including the NASA Photo Identification Badge, MAY NOT BE USED for the original issuance of a PIV vetted credential

Prior to authorizing physical access of a contractor employee to a federally-controlled facility or access to a Federal information system, the CCS will ensure that a check has been performed with the National Crime Information Center (NCIC) and Interstate Identification Index. In the case of a foreign national, a national check of the Bureau of Immigration and Customs Enforcement (BICE) database will be performed for each applicant. If this process yields negative information, the CCS will immediately notify the COTR/host of the determination regarding access made by the CCS.

Step 5:

Upon receipt of the completed NAC, the CCS will update IDMS from the NAC portion of the NACI and indicate the result of the suitability determination. If an unsatisfactory suitability determination is rendered, the COTR will advise the contractor that the employee is being denied physical access to all federally-controlled facilities and Federal information systems.

Based on a favorable NAC and NCIC/III or BICE check, the CCS will authorize the issuance of a PIV federal credential in the Physical Access Control System (PACS) database. The CCS, based on information provided by the COTR/host, will determine what physical access the applicant should be granted once the PIV issues the credential.

Step 6:

Using the information provided by the applicant during his or her in-person appearance, the PIV card production facility creates and instantiates the approved PIV card for the applicant with an activation date commensurate with the applicant's start date.

Step 7:

The applicant proceeds to the credential issuance facility to begin processing for receipt of his/her federal credential.

The applicant provides to the credential issuing operator proof of identity with documentation that meets the requirements of FIPS 201 (DHS Employment Eligibility Verification (Form I-9) documents. These documents must be the same documents submitted for registration.

The credential issuing operator will verify that the facial image, and optionally reference finger print, matches the enrollment data used to produce the card. Upon verification of identity, the operator will locate the employee's record in the PACS database, and modify the record to indicate the PIV card has been issued. The applicant will select a PIN for use with his or her new PIV card. Although root data is inaccessible to the operator, certain fields (hair color, eye color, et al.) may be modified to more accurately record the employee's information.

The applicant proceeds to a kiosk or other workstation to complete activation of the PIV card using the initial PIN entered at card issuance.

ALTERNATIVE FOR APPLICANTS WHO DO NOT HAVE A COMPLETED AND
ADJUDICATED NAC AT THE TIME OF ENTRANCE ON DUTY

Steps 1 through 4 shall be accomplished for all applicants in accordance with the process described above. If the applicant is unable to appear in person until the time of entry on duty, or does not, for any other reason, have a completed and adjudicated NAC portion of the NACI at the time of entrance on duty, the following interim procedures shall apply.

1. If the documents required to submit the NACI have not been completed prior to EOD, the applicant will be instructed to complete all remaining requirements for submission of the investigation request. This includes presentation of I-9 documents and completion of fingerprints, if not already accomplished. If the applicant fails to complete these activities as prescribed in NPR 1600.1 (Chapters 3 & 4), it may be considered as failure to meet the conditions required for physical access to a federally-controlled facility or access to a Federal information system, and result in denial of such access.
2. Based on favorable results of the NCIC, the applicant shall be issued a temporary NASA identification card for a period not-to-exceed six months. If at the end of the six month period the NAC results have not been returned, the agency will at that time make a determination if an additional extension will be granted for the temporary identification card.
3. Upon return of the completed NAC, the process will continue from Step 5.

DUPLICATE ORIGINAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES 1 3	
2. AMENDMENT/MODIFICATION NO. 45		3. EFFECTIVE DATE APR 19 2007		4. REQUISITION/PURCHASE REQ. NO. N/A	
6. ISSUED BY NASA/Management Office 4800 Oak Grove Drive M/S 180-802 Pasadena CA 91109		CODE NMO		7. ADMINISTERED BY (If other than Item 6) NASA/Management Office 4800 Oak Grove Drive M/S 180-802 Pasadena CA 91109	
8. NAME AND ADDRESS OF CONTRACTOR (No, street, county, State and ZIP Code) CALIFORNIA INSTITUTE OF TECHNOLOGY Attn: NONE SPECIFIED 1201 EAST CALIFORNIA BLVD. PASADENA CA 91125		(x)		9A. AMENDMENT OF SOLICITATION NO.	
CODE		FACILITY CODE		9B. DATED (SEE ITEM 11)	
				X 10A. MODIFICATION OF CONTRACT/ORDER NO. NAS7-03001	
				10B. DATED (SEE ITEM 11) 11/26/2002	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended; by one of the following methods: (a) By completing items 9 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
See Schedule

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)
X	Mutual Agreement of Both Parties

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

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

This modification definitizes contract modification 39 dated January 29, 2007.

1. H-37, SECURITY, paragraph (a) (2) (v) (A) is revised as follows:

"(v) Chapter 6 is incorporated into the contract with the following understandings:

(A) Through Contract Modification 32, the Parties incorporated FAR Clause 52.204-9, "Personal Identity Verification (PIV) of Contractor Personnel." Through contract Modification 39, the Government incorporated the Personal Identity Verification Issuance Procedures referenced in Procurement Procedures PIC 06-01. Notwithstanding Modification 39, the Parties further hereby agree:

Continued

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF CONTRACTOR OR OFFEROR Dean W. Currie Vice President for Business and Finance		15C. DATE SIGNED 4/19/07		15B. UNITED STATES OF AMERICA		15A. NAME AND TITLE OF CONTRACTING OFFICER (Type and print) Robert A. Esma Contracting Officer	
<i>(Signature of contractor)</i>				<i>(Signature of Contracting Officer)</i>		15C. DATE SIGNED APR 19 2007	

GSN 7540-01-152-8070 Previous edition unusable STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED NAS7-03001/45	PAGE OF 2 3
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NAME OF OFFEROR OR CONTRACTOR
CALIFORNIA INSTITUTE OF TECHNOLOGY

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>(i) PIC 06-01 is considered to be issued as operational guidance.</p> <p>(ii) The Contractor shall, within 30 days from the effective date of this modification, submit to the Contracting Officer for review:</p> <p>(a) an implementation plan detailing how the PIC, PIV credentialing, and NASA badge issuance will be implemented by the Contractor. The plan shall be updated when major changes to the plan have occurred.</p> <p>(b) an updated cost proposal for implementing the PIC, PIV credentialing, and NASA badge issuance by the Contractor. The cost proposal shall be consistent with Contractor defined responsibilities and Agency procedures.</p> <p>(iii) The Government will provide as Government Furnished Property or Services:</p> <p>(a) four (4) operational badge issuing systems (including software) by May 15, 2007, and</p> <p>(b) printed PIV-II credentials on an on-going basis commencing May 22, 2007, and</p> <p>(c) Access to the Office of Personnel Management's Electronic Questionnaires for Investigations Processing (e-QIP) system for background investigation commencing April 11, 2007, and</p> <p>(d) suitability determinations and adjudication as may be required (e.g. Homeland Security Presidential Directive - 12, Office of Management and Budget guidance M-05-24, or Federal Information Processing Standards Publication Number 201).</p> <p>(iv) The Contractor shall charge the associated costs to an appropriate burden account.</p> <p>(v) The written procedure identified in paragraph (a) above shall be consistent with NASA procedures and detail the Contractor defined roles, responsibilities, and process for issuing</p> <p>Continued ...</p>				

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE	OF
	NAS7-03001/45	3	3

NAME OF OFFEROR OR CONTRACTOR
CALIFORNIA INSTITUTE OF TECHNOLOGY

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>PIV Credentials and NASA badges for the Contractor's employees, subcontractor personnel, and affiliates. The Contractor shall perform the roles and responsibilities which are not inherently governmental (e.g., Sponsor; Enrollment Officer; Issuer). Further, the Contractor shall update its written procedure as may be necessary to remain consistent with Agency procedures. The Contractor shall submit the updated written procedures to the Contracting Officer for review.</p> <p>(vi) The Contractor shall, following the review by the Contracting Officer, implement its written procedures on an ongoing basis; provided, however, the Contractor shall implement its written procedures to ensure PIV Credentials and NASA badges are issued for current employees, subcontractor personnel, and affiliates by October 27, 2007."</p> <p>End of Modification No. 45.</p>				