



ADS Chapter 567

Classified Contracts, Grants, Cooperative Agreements, and Contractor/Recipient Personnel Security

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Functional Series 500 - Management Services
ADS 567 - Classified Contracts, Grants, Cooperative Agreements, and
Contractor/Recipient Personnel Security

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Functional Series 500 - Management Services
ADS 567 - Classified Contracts, Grants, Cooperative Agreements, and Contractor/Recipient Personnel Security

567.1 OVERVIEW

Effective Date: 07/31/1998

This chapter provides the policy and procedures for classified contracts, grants, and cooperative agreements, and security investigations and clearances for contractor/recipient personnel.

***567.2 PRIMARY RESPONSIBILITIES**

Effective Date: 11/26/2003

- a. The Administrator is responsible for designating alternate SCRP members in the event one or more members cannot fulfill their duties on the SCRP.
- b. The USAID Director of Security (D/SEC) is responsible for
 - (1) Fulfilling the responsibilities of the senior Agency official delineated in Executive Order (EO) 12968, EO 12958, and EO 12829 (**See Mandatory References, [EO 12968](#), [EO 12958](#), and [EO 12829](#)**); and
 - (2) Chairing the USAID Security Clearance Review Panel (SCRP).
- c. The Assistant General Counsel for Ethics and Administration (GC/EA) is responsible for serving as an SCRP member.
- d. The Deputy Assistant Administrator for the Bureau for Management, Office of Human Resources (DAA/OHR) is responsible for serving as an SCRP member.
- e. The Deputy Director of Security (DD/SEC) is responsible for
 - (1) Deciding the denial or revocation of eligibility for access to classified national security information; and
 - (2) Receiving written and hearing personal replies to decisions of ineligibility for access to classified national security information.
- f. The Chief, Office of Security, Personnel, Information, and Domestic Security Division (SEC/PIDS) is responsible for
 - (1) Deciding the suspension of security clearances and taking other assignment restriction actions;

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(2) Receiving written and hearing personal replies to conclusions to initiate denial, revocation, or reduction of eligibility for access to classified national security information; and

(3) Initiating personnel security investigations and/or notifying the clearance-granting authority when significant adverse information is identified bearing on an individual's continued eligibility for access to classified national security information.

g. The Chief of the Office of Security, Personnel, Information, and Domestic Security Division, Information and Domestic Security Branch (SEC/PIDS/IDS) is responsible for approving security contract specifications.

h. Bureau, Office, and USAID overseas Mission Project Officers are responsible for providing security contract specifications to the Contracting Officer (CO) and/or Executive Officer (EXO).

i. Bureau, Office, and USAID overseas Mission COs and EXOs are responsible for placing the security contract specifications in contracts.

j. The cognizant contracting office is responsible for adjudicating the suitability for employment of USAID U.S. citizen Personal Service Contractors (USPSCs).

*k. The Contracting Officer's Technical Representative (COTR) is responsible for assisting COs with security specifications for contracts and assistance awards. COTR duties include monitoring classified contractors' and recipients' compliance with the security specifications included in their contracts, grants, and cooperative agreements, and notifying the contracting or agreement officer and SEC of any problems or suspected non-compliance with these contract requirements.

*The COTR must be familiar with the security specifications in the awards for which they are a COTR and with the USAID regulations that apply. These include ADS 545 "Information System Security" and ADS 565 "Physical Security Programs" as well as ADS 567. The letters designating individuals as COTRs are being changed to include a paragraph addressing these security-related responsibilities.

***567.3 POLICY AND PROCEDURES**

Effective Date: 07/12/2001

SEC is responsible for all security clearance actions associated with individuals who are directly compensated by USAID. The Defense Security Service (DSS) will process individuals requiring a security clearance who are compensated via a third party in accordance with EO 12829. **(See Mandatory Reference, [EO 12829](#))**

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***567.3.1 Security Specifications for Contractors/Recipients**

Effective Date: 11/26/2003

Classified contracts, grants, and cooperative agreements with organizations must comply with the National Industrial Security Program (NISP). Under the provisions of the NISP, the Defense Security Service (DSS) will investigate and adjudicate security clearances required for for-profit organizations, nonprofit organizations, and educational institutions that require contractor employees to access classified information.

SEC will conduct investigations and grant, as appropriate, security clearances for Personal Service Contracts and Non-Personal Services Contracts (including purchase orders) with individuals where USAID makes payment directly to the individual. **(See 567.3.2)**

Organizations (contractors and recipients) and their employees not currently participating in the NISP and wishing to conduct classified business with USAID must be sponsored by USAID or by an already cleared company.

Operating units developing requirements for acquisition and assistance (A&A) awards (except for those awards with individuals) that require access to classified information or require their contractor/recipient employees to perform in USAID Restricted Areas must process the form DD 254, "Contract Security Classification Specification." **(See Mandatory References, [ADS 565, Physical Security Program \(Domestic\)](#), and [DD 254](#))** The requiring office must specify on the DD 254 the conditions for access to classified information for the planned award. The Office of Security (SEC) must approve the DD 254 and will provide guidance upon request. Contracting/Agreement Officers must verify that SEC has properly approved the DD 254 before proceeding with the requested acquisition or assistance action.

***Any contract, grant, or cooperative agreement requiring the contractor/recipient or the employees thereof to have access to classified information must include a completed DD Form 254. Security specifications are incorporated into the award by the DD Form 254 and the supplemental security guidance in Block 13 of the form.**

Provisions for safeguarding national security information while in the possession of the contractor must be stipulated in all classified contracts/awards that fall under the NISP.

See section 567.3.3 for contractor/recipient personnel requiring only an "Employment Authorization" and not a security clearance. SEC will conduct the Employment Authorization investigations for all U.S. citizen contractor/recipient employees worldwide and for all such personnel employed within USAID/W. The local Regional Security Officer (RSO) will conduct the Employment Authorization investigations for foreign national local hires and third country nationals at post.

If an existing unclassified award converts to a classified award, the Contracting Officer's Technical Representative (COTR) must complete the form DD 254, obtain SEC's approval, and forward it to the Contracting/Agreement Officer with a request that the

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award be formally modified. The award must be modified before any security clearance requests are processed for contractor/recipient personnel.

*Although most of the specifications in the DD 254 are the responsibility of the contractor or recipient, several of them also hold the COTR responsible for taking certain actions. For example, the COTR determines whether contractor/recipient employees require a USAID Building Pass and whether access to USAID sensitive automated information systems is needed. The COTR coordinates with the cognizant Administrative Management Services (AMS) Officer to process building pass requests with SEC. Whenever a contractor employee no longer requires a USAID building pass, the contractor must return the pass to the COTR, who must then notify SEC that the contractor employee no longer needs a building pass. SEC will then deactivate the building pass.

Contractor/recipient personnel with security clearances are subject to the same personnel security criteria as are USAID direct-hire employees. These criteria create the potential for assignment restrictions and the requirement to notify SEC 120 days in advance of marriage to or intended cohabitation with a non-U.S. citizen.

Institutional contractor/recipient personnel will not be assigned to work in USAID/W Restricted Areas or allowed access to national security information unless

- a. The award is deemed "classified" in accordance with EO 12829, National Industrial Security Program; and
- b. The organization and/or individual employee has been granted an interim/final Facility and Personnel security clearance at the level specified on the form DD 254.

Failure on the part of the awarded company/organization or its employees to obtain and maintain the required security clearance(s) will result in denied access to USAID Restricted Areas and national security information.

567.3.2 U.S. Personal Service Contracts

Effective Date: 07/31/1998

The office requiring the U.S. Personal Service Contract (USPSC) must determine the access requirement(s) necessary for the successful performance of the USPSC.

Whenever a Top Secret clearance is required for a USPSC position for a USAID overseas Mission, a written justification from the senior USAID official must be submitted to SEC and coordinated with the RSO. The written justification must state the specific types of information that the contractor must access or state the location of Restricted Areas that the contractor must have unescorted access to in order to perform under the contract.

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All USPSC contracts must require the contractor to have either a security clearance or employment authorization. All USPSC contracts must contain the appropriate security clauses for USPSC contracts issued by the Bureau for Management, Office of Procurement (M/OP) in the Agency for International Development Acquisition Regulation (AIDAR) or through Contract Information Bulletins (CIBs). A DD 254 is not needed.

567.3.3 Restrictions on Contractor/Recipient Personnel Security Investigations and Clearances

Effective Date: 07/12/2001

No individual is to be awarded a contract, grant, or cooperative agreement, or permitted to provide goods and/or services under a contract/agreement, unless such an action/relationship is clearly consistent with the interests of national security. No individual is employed by USAID, permitted access to classified information, or allowed to work in USAID office space until

- a. A personnel security investigation is completed at the level appropriate for the position;
- b. It is determined that the individual's employment is clearly consistent with the interests of national security and USAID goals and objectives; and
- c. A favorable access eligibility determination or employment authorization is issued by SEC. SEC will use the adjudicative guidelines established by EO 12968 to determine eligibility for access to classified information. The same reference minus guidelines A, Allegiance to the United States, B, Foreign Influence, and C, Foreign Preference, will be used to determine eligibility for a USAID Building Pass and to work in USAID space when access to classified information is not required. **(See Mandatory Reference, [EO 12968](#))**

SEC will not conduct a personnel security investigation for the purpose of issuing an access eligibility determination, an employment authorization, a temporary security clearance, a temporary employment authorization, or a building pass, unless an award containing the requisite security-related clauses/provisions already exists for that individual. The Bureau, Office, or Mission exercising technical cognizance over the award is responsible for including written confirmation that the award includes these clauses/provisions when submitting requests for security investigative action for U.S. citizen personnel to SEC.

The Contracting Officer's Technical Representative (or other office or individual if so designated with this responsibility by the head of the operating unit) forwards the request to SEC via Form AID 6-1, Request for Security Action – Contractor. The contractor personnel security forms must be completed and attached. These forms are listed in the Mandatory Reference section, under Contractor Personnel Security Forms. **(See Mandatory Reference, [Contractor Personnel Security Forms](#))** All forms requiring a signature must be signed. All forms must be typed or printed with sufficient

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boldness and clarity to allow the successful scanning of the information by electronic media. Forms that do not contain all of the required information or are not legible will be returned to the requestor.

567.3.3.1 Issuance of Contractor/Recipient Building Passes

Effective Date: 07/12/2001

Requests for USAID headquarters building passes for all contractors and recipients, USPSCs, and non-PSCs, with individuals (including purchase order vendors) must be submitted to SEC/PIDS by the Bureau or Office Administrative Management Specialist (AMS) exercising technical cognizance over the contract.

The building pass request process includes the following:

- a. AID 500-1, Request for Issue (or Reissue) of Building Pass. The contractor personnel security forms must be completed and attached. These forms are listed in the Mandatory Reference section (forms SF-171 and AID 1420-17 are not required). **(See Mandatory Reference, [Contractor Personnel Security Forms](#))** All forms requiring a signature must be signed. All forms must be typed or printed with sufficient boldness and clarity to allow the successful scanning of the information by electronic media. Forms that do not contain all of the required information or are not legible will be returned to the requestor.
- b. Upon completion of the investigative actions, SEC will authorize the issuance of the building pass or notify the requestor in writing if the building pass cannot be issued.

567.3.4 Security Clearance Duration/Revalidation (Not applicable to NISP participants)

Effective Date: 07/12/2001

567.3.4.1 Duration

Security clearances and Employment Authorizations for PSCs granted by SEC will be issued for a period of five years, regardless of the length of the contract. Contracting Officers and Executive Officers may renew or extend the original contract during the five-year period without further SEC revalidation provided all of the following conditions are met:

- a. The required level of access to classified information does not change;
- b. The contractor is continuously employed by USAID, with no break in service of more than one year; and
- c. The post of assignment does not change.

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567.3.4.2 Circumstances Requiring Revalidation

Effective Date: 07/12/2001

If the PSC is subsequently assigned to a new post within the original five-year period following issuance of the clearance, the gaining post's Contracting Officer or Executive Officer is required to submit a new AID 6-1, Request for Security Action, to revalidate the security clearance.

If the PSC requires a higher level of clearance during the five-year period, the requesting official must submit an AID 6-1 indicating the new level of clearance required and new security forms.

If a break in employment at post exceeds one year, the requiring official must submit an updated security package.

Requests to revalidate contractor security clearances and employment authorizations in accordance with the policy contained in this chapter must be initiated by the Contracting Officer or Executive Officer within the interested Bureau, Office, or Mission. The request must be submitted to SEC on a form AID 6-1. If the individual's personnel security investigation is over five years old, new original security forms must be submitted to SEC. SEC accepts cable or fax requests to initiate clearance revalidations; however, the cable or fax request for revalidation or extension must be followed up by submission of the original security forms.

567.3.5 Temporary Security Clearance/Temporary Employment Authorization

Effective Date: 07/31/1998

A requiring office may request a Temporary Security Clearance or Temporary Employment Authorization. SEC will consider approving either or both provided that the following specified conditions are met. The Form AID 6-1 and complete set of contractor personnel security forms must be submitted to SEC along with the request for a Temporary Security Clearance/Temporary Employment Authorization. The requester of the Temporary Security Clearance/Temporary Employment Authorization must ensure that

- a. The request includes sufficient information and justification to support a finding that accelerated employment is necessary in the national interest and is based on operational requirements justifying the risk of employing the individual prior to the completion of the personnel security investigation;
- b. The request includes written confirmation that all requisite security-related clauses/provisions have been included in the award, including
 - (1) A contingency clause/provision to permit termination of the award without penalty to USAID in the event the contractor is adjudicated to be ineligible for the access required by the contract position;

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- (2) A contingency clause to permit removal of the contractor from the contract at any stage of the investigation without penalty to USAID;
- (3) The Form AID 6-1 and all other required papers and forms must be completed and received by SEC; and
- (4) SEC identifies no issues of security concern during a preliminary review.

SEC must issue a signed Form AID 500-3, Security Investigation and Clearance Record, to the requestor containing the following notation:

"TEMPORARY CLEARANCE AUTHORIZATION - This security clearance/employment authorization is temporary. Retention of this clearance/authorization is contingent upon favorable adjudication of the security investigation required by Executive Order 12968."

The individual may have access to classified information or work in USAID restricted space only after the contracting officer has received a copy of the Form AID 500-3.

Temporary Security Clearance/Employment Authorization is granted with the following stipulations:

- a. It can be withdrawn at any time based on the identification of unfavorable information in the course of the investigation;
- b. Access to classified information (security clearance) or access to USAID Sensitive But Unclassified (SBU) information (employment authorization) must be limited to particular, identified categories of information necessary for the individual to perform duties; and
- c. A Temporary Security Clearance is valid only at USAID and at other agencies that have expressly agreed to accept it and acknowledge their understanding of its investigative basis.

If adverse information is discovered, SEC must advise the contracting officer to immediately remove the subject from the building, or from the contract if work cannot be performed under the contract without access to the building and/or classified information pending further notification from SEC.

SEC must notify the requestor in writing if the Temporary Clearance/Authorization cannot be granted and that the investigation must proceed further or be completed prior to a decision to grant or deny.

567.3.6 **Marriage to or Cohabitation with Non-U.S. Citizens (Also applicable to USPSCs)**

Effective Date: 07/31/1998

Contractor employees occupying a position requiring access to national security information who intend to marry or cohabit with non-U.S. citizens must notify the clearance issuing authority.

- a. At least 120 days before the date of the planned marriage or cohabitation, individuals working in USAID/W must notify the Contracting Officer's Technical Representative, and individuals working overseas must notify the senior USAID officer, of the intended marriage or cohabitation. The intended spouse or cohabitant must complete an SF-86, Questionnaire for National Security Positions (an OF-174, Application for Employment in the Foreign Service, may be substituted for an SF-86).
- b. The individual must be counseled by the notification official noted in the preceding paragraph regarding the potential risks the planned marriage or cohabitation may have on the individual's eligibility for access to national security information.
- c. The notification official forwards a copy of the record of counseling and the security forms to SEC.
- d. The clearance issuing authority (SEC or DSS) initiates and conducts an investigative action.
- e. Upon completion of the investigative action, SEC will assess the impact on the continued eligibility for access to classified information of the individual. The determination of continued eligibility for access is based on EO 10450, as amended, and EO 12968. **(See Mandatory References, [EO 10450](#), as amended, and [EO 12968](#))** Additional guidance is provided in the Mandatory Reference section of ADS 566, U.S. Direct-Hire and PASA/RSSA Personnel Security Program. **(See Mandatory Reference, [ADS 566.4, Employee Marriage to or Cohabitation With Non-U.S. Citizens](#))**

567.3.7 **Due Process**

Effective Date: 07/12/2001

Procedural due process must be provided to contractors when actions are taken to suspend, deny, or revoke a security clearance. **(See 567.3.9 for more details)** Contractor employees whose security clearance is issued by the Defense Security Service are subject to the due process procedures established within the Department of Defense for contractor personnel.

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When circumstances develop that create the potential for conflict between the contractor and national security interests, access restrictions will be applied by SEC or the contract will be terminated by the Contracting Officer.

When access restrictions are imposed, SEC must coordinate with the Contracting Officer and Contracting Officer's Technical Representative and notify the individual in writing of the access restrictions, the reasons for the action, and the time period for the restrictions. Such restrictions must specify the subject matter or specifically designated projects/documents, or other conditional or probationary terms of clearance. The time period may be indefinite or may depend on sufficient resolution of the precipitating issues to permit the restoration of full access eligibility.

567.3.8 Suspension of Contractor/Recipient Clearances

Effective Date: 07/12/2001

Security clearances issued by SEC will be suspended by the Chief, SEC/PIDS when there are grounds to question a person's continued eligibility for access to classified information. Security clearances issued by DSS under the NISP will be suspended in accordance with DSS policies and procedures.

When SEC suspends an individual's access to classified information, SEC must notify the individual, the Contracting Officer's Technical Representative, the Contracting Officer, and if applicable, DSS in writing of the suspension and the reasons for the action. The Chief, SEC/PIDS will review all cases within his/her jurisdiction when the suspension has exceeded 90 days and decide whether action can be taken to bring the case to closure. Subsequent reviews by the Chief, SEC/PIDS will be triggered after each additional 90-day period of unresolved suspension.

567.3.9 Personnel Security Clearance Denial, Reduction, and Revocation

Effective Date: 07/12/2001

Procedural due process must be provided to individuals by USAID when actions are taken by SEC to deny, reduce, or revoke a security clearance. (Note: Procedural due process is provided by DSS to contractors participating in the NISP.)

567.3.9.1 Notification of Clearance Denial, Reduction, or Revocation Action

Effective Date: 07/12/2001

Procedural due process for denying, reducing, or revoking an individual's eligibility for access requires that the Chief, SEC/PIDS forward a letter to the individual. The letter must

- a. Provide a comprehensive and detailed explanation of the basis for the conclusion to deny, reduce, or revoke clearance eligibility within the limits that National Security Policy permits;

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- b. Include a copy of the documents, records, and reports upon which the conclusion to deny, reduce, or revoke access eligibility is based. Materials not releasable under the Privacy Act, as amended, or the Freedom of Information Act (5 U.S.C. 552a or 5 U.S.C. 552) cannot be provided (**See Mandatory References, [5 U.S.C. 552a](#) and [5 U.S.C. 552](#)**);
- c. Inform the individual of the right to be represented by counsel or other representative at his/her own expense;
- d. Advise the individual of the opportunity to reply in writing within 30 days to the Chief, SEC/PIDS to present any relevant documents, materials, and information for a review of the conclusion;
- e. Advise the individual of the opportunity to appear personally before the Chief, SEC/PIDS to present any relevant documents, materials, and information for a review of the conclusion. It must further advise that a written summary or recording of such an appearance will be made part of the individual's security file;
- f. Advise that if the conclusion is unchanged after the individual has replied personally or in writing, or upon expiration of the 30-day time period, a recommendation in favor of a decision to deny, reduce, or revoke the clearance will be made to the Deputy Director of the Office of Security (DD/SEC). The recommendation to the Deputy Director will include the complete investigative file; and
- g. Advise that the Deputy Director will notify the individual in writing of the decision.

If the conclusion reached by the Chief, SEC/PIDS is changed as a result of the written or personal presentation, the access eligibility determination will be appropriately modified and written notification will be sent to the individual. If the conclusion is unchanged, the investigative file will be forwarded to the DD/SEC with a recommendation that considers the written and/or oral information provided by the individual.

567.3.9.2 Notification When the Denial, Reduction, or Revocation Decision Is Sustained

Effective Date: 07/12/2001

If the DD/SEC disagrees with the conclusion of the Chief, SEC/PIDS, the access eligibility determination will be appropriately modified and written notification will be sent to the individual. If the DD/SEC agrees with the conclusion, the Deputy Director will provide a letter to the individual which

- a. Advises the individual of the decision to deny, reduce, or revoke access eligibility;

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- b. Advises the individual of the right to appeal the decision to the USAID Security Clearance Review Panel (SCRP) within 30 days and to forward the request for the appeal in writing to the DD/SEC;
- c. Advises the individual that the decision of the SCRCP is final unless the SCRCP decides to refer the case to the Administrator for a decision; and
- d. Advises that the decision of the SCRCP will be provided in writing.

567.3.9.3 Security Clearance Review Panel (SCRCP)

Effective Date: 07/12/2001

If the individual appeals the decision, the DD/SEC forwards the complete investigative file to the Director of Security (D/SEC), who is the Chair of the SCRCP.

- The D/SEC notifies the Deputy Assistant Administrator for Human Resources (DAA/OHR) and the Assistant General Counsel for Ethics and Administration (GC/EA) that the SCRCP must meet to issue a decision.
- In reaching its decision, the SCRCP is bound by the access eligibility policy, procedure, and standards stipulated in Parts 2 and 3 of EO 12968 and by the Adjudicative Guidelines cited in 567.4.1. (**See Mandatory References, [EO 12968](#) and [Adjudicative Guidelines](#)**)
- If the decision of the SCRCP is not unanimous, the SCRCP forwards the file to the Administrator. The rationale and recommended decision of each SCRCP member is included in the file forwarded to the Administrator. The Administrator then makes the decision.
- The Chair of the SCRCP notifies the individual in writing of the final decision reached by the SCRCP or the Administrator.

567.3.10 Non-U.S. Citizens Employed by USAID Overseas

Effective Date: 07/31/1998

Non-U.S. citizens employed by USAID overseas must meet the certification requirements established by the Department of State (DOS).

Overseas Missions are responsible for obtaining necessary data for all non-U.S. citizens for transmittal to the U.S. Embassy Regional Security Officer (RSO) for the investigative effort. Upon completion of the investigation, the RSO must submit the investigative report and accompanying recommendations to the USAID Mission Director for a final hiring determination.

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567.3.11 Non-U.S. Citizens Employed by USAID in USAID/W
Effective Date: 07/31/1998

Refer to 567.3.3, Contractor/Recipients Personnel Security Investigations and Clearances.

567.4 MANDATORY REFERENCES
Effective Date: 07/31/1998

567.4.1 External Mandatory References
Effective Date: 07/12/2001

- a. [Adjudicative Guidelines for Determining Eligibility for Access to Classified Information; Investigative Standards for Background Investigations for Access to Classified Information; and Investigative Standards for Temporary Eligibility for Access, issued under EO 12968 in March 1996.](#)
- b. Agency for International Development - Department of State Overseas Security and Investigations Agreement, of April 28, 1993. (For information on this reference document, please contact Pat Hogan, SEC/OD, (202) 712-0990)
- c. [DD 254, Contract Security Classification Specification](#)
- d. [Executive Order \(EO\) 10450](#) of April 27, 1953, "Security Requirements for Government Employment"; as amended by EO 10491 of October 13, 1953, EO 10531 of May 27, 1954, EO 10548 of August 2, 1954, EO 10550 of August 5, 1954, and EO 11785 of June 4, 1974, as they relate to the USAID personnel security program
- e. [EO 12829, "National Industrial Security Program," of January 8, 1993](#)
- f. [EO 12958, "Classified National Security Information," of April 17, 1995](#)
- g. EO 12968, "Access to Classified Information," of August 2, 1995
- h. [The Freedom of Information Act, 5 U.S.C. 552](#)
- i. [OFPP Policy Letter No. 92-1, Inherently Governmental Functions, September 23, 1992 \(formerly cited as OMB Policy Letter 92-1, Inherently Governmental Functions\)](#)
- j. [The Privacy Act of 1974, 5 U.S.C. 552a](#)
- k. [Section 587\(b\) of the Fiscal Year 1999 Omnibus Appropriations Bill \(P.L. 105-277\)](#)

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567.4.2 Internal Mandatory References

Effective Date: 07/12/2001

- a. [ADS 566.4.2.c, Employee Marriage to or Cohabitation With Non-U.S. Citizens](#)
- b. [AID Form 500-1, Request for Issue \(or Reissue\) of Building Pass](#) (available on the USAID intranet Forms page)
- c. [AID Form 500-3, Security Investigation and Clearance Record](#) (available on the USAID intranet Forms page)
- d. [AID Form 6-1, Request for Security Action](#) (available on the USAID intranet Forms page)
- e. [Contractor Personnel Security Forms](#)

567.5 ADDITIONAL HELP

Effective Date: 07/12/2001

567.6 DEFINITIONS

Effective Date: 07/12/2001

The terms and definitions listed below have been incorporated into the **ADS Glossary**. See the **ADS Glossary** for all ADS terms and definitions. (See [ADS Glossary](#))

access

The ability and opportunity to obtain knowledge of classified information. An individual is considered to have access by being in a place where national security information is kept, processed, handled, or discussed, if the security control measures that are in force do not prevent that person from gaining knowledge of such information. (Chapters 562, 566, 567, and 568)

classified award

Contracts, grants, or cooperative agreements with positions requiring access to classified information. These procedures are applicable to licensees, grantees, and certificate holders to the extent legally and practically possible within the constraints of applicable law and the Code of Federal Regulations. (Chapters 562 and 567)

classified information

See the definition for classified national security information. (Chapters 562, 566, and 567)

classified national security information

Information that has been determined pursuant to EO 12958 or any predecessor order to require protection against unauthorized disclosure and is marked (confidential,

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secret, or top secret) to indicate its classified status when in documentary form. It is also referred to as classified information.

a. confidential: Information, the unauthorized disclosure of which reasonably could be expected to cause damage to the national security that the original classification authority is able to identify or describe.

b. secret: Information of which the unauthorized disclosure could reasonably be expected to cause serious damage to the national security.

c. top secret: Information of which the unauthorized disclosure could reasonably be expected to cause exceptionally grave damage to the national security. (Chapters 562, 566, 567)

direct-hire employee

Refers only to U.S. citizens employed as direct-hire (general schedule Civil Service) and excepted service (non-career and Foreign Service), expert consultant, or Advisory Committee Member Serving without Compensation) working for USAID. (Chapters 562, 566, and 567)

employment authorization

The determination that an individual is eligible to occupy a non-sensitive position. Such eligibility is granted subsequent to a personnel security investigation in which no issues were developed and after a favorable adjudication is made. (Chapters 562 and 567)

national security position

Any position which requires the incumbent to have access to classified information. (Chapters 562, 566 and 567)

need-to-know

A determination made by a possessor of classified information that a prospective recipient, in the interest of national security, has a requirement for access to, knowledge, or possession of the classified information in order to perform official duties. The determination is not made solely by virtue of an individual's office, position or security clearance level. (Chapters 562, 566, 567, 568)

nonsensitive position

Any position in USAID that does not fall within the definition of a sensitive position (special-sensitive position, critical-sensitive position, or noncritical-sensitive position). (Chapters 562, 566 and 567)

personnel security investigation

Inquiries designed to develop information pertaining to an individual for use in determining whether the employment, assignment to duties, or retention in employment of that individual is clearly consistent with the interests of national security and USAID goals and objectives. (Chapter 567)

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recipient

An organization receiving direct financial assistance (a grant or cooperative agreement) to carry out an activity or program. (Chapters 303, 304, 305, 567, 591)

security clearance

A certification that a U.S. citizen, who requires access to information classified at a certain level, has been found security eligible under USAID standards (authority #16) and may be permitted access to classified information at the specified level. (Chapters 562, 566)

security eligibility

A security status based on favorable adjudication of a required personnel security investigation; it indicates that an individual is deemed trustworthy for employment in a sensitive position, and may be granted a clearance for access to classified information up to the level of eligibility if required in the performance of official duties. (Chapters 562, 566, and 567)

***Sensitive But Unclassified information (SBU)**

A category of unclassified official information and material that is not national security information, and therefore is not classifiable, but nevertheless requires protection due to the risk and magnitude of loss or harm that could result from inadvertent or deliberate disclosure, alteration, or destruction of the data. The term includes data whose improper use or disclosure could adversely affect the ability of the Agency to accomplish its mission, proprietary data, records requiring protection under the Privacy Act, and data not releasable under Sections 552 and 552a of Title 5 of the Freedom of Information Act.

SBU information includes, but is not limited to, information received through privileged sources and certain personnel, medical, personnel, commercial, and financial records, investigatory, visa, law enforcement, or other information which, if released, could result in harm or unfair treatment to any individual or group, or could have a negative impact upon individual privacy, Federal programs, or foreign relations. (source:12 FAM 540)

Examples of SBU include travel of agency employees to or through a high or critical terrorist threat environment; investigatory records compiled by an agency conducting lawful national security intelligence investigation (source: FOIA); and candid assessments of situations in a host country which could cause embarrassment if made public. Material of this type, which requires protection and limited dissemination, shall be designated by any official having signing authority for the material. (Chapters 545, 552, 562, 566, 567)

sensitive positions

Any position in USAID the occupant of which could bring about, because of the nature of the position, a material adverse effect on the national security. There are three types of sensitive positions each of which requires access to classified information:

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a. **Critical-Sensitive Position:** Any position in USAID, the duties of which include, but are not limited to: positions with public trust risk designations of high with access to any level classified information: positions with a requirement for access to Top Secret information: positions having investigative or security functions, or service on personnel security boards.

b. **Noncritical-Sensitive Position:** Any other sensitive position in USAID that does not fall within the definition of a critical-sensitive position. The duties of a noncritical-sensitive position include, but are not limited to access to national security information and material up to, and including, Secret.

c. **Special-Sensitive Position:** Any position in USAID, the duties of which are determined to be at a level higher than "critical sensitive" because of the greater degree of damage that an individual by virtue of occupancy of the position could effect to the national security, or because the duties may entail access to sensitive compartmented information. (Chapters 562, 566, 567)

suitability

Suitability refers to the basic standard (in EO 10450) requiring that an individual's appointment to or retention in the Federal Service must promote the efficiency of the Service. Suitability is only applicable to direct-hire employees. (Chapters 562, 566, 567)

temporary employment authorization

A determination based on partial investigative action that an individual is eligible to occupy a non-sensitive position. The individual may have access to Sensitive But Unclassified (at the discretion of the holder of the SBU material) and have access to USAID sensitive information technology systems (at the discretion of the appropriate system administrator). The temporary employment authorization may be withdrawn at any time. If withdrawn, the individual will be advised of the issue requiring resolution, however the individual has no right to appeal the decision. The employment authorization will remain temporary until the personnel security investigation is completed and favorably adjudicated at which time the temporary designation is withdrawn. (Chapter 567)

temporary security clearance

A certification based on partial investigative action that a U.S. citizen, who requires access to information classified at a certain level, has been found security eligible under USAID standards (authority #16) and may be permitted access to classified information at the specified level. The temporary clearance may be withdrawn at any time. If withdrawn, the individual will be advised of the issue requiring resolution, however the individual has no right to appeal the decision. The clearance will remain temporary until the personnel security investigation is completed and favorably adjudicated at which time the temporary designation is withdrawn. (Chapter 566)

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