Department of Veterans Affairs

Memorandum

Date: June 22, 2026

From: Executive Director, Office of Procurement (003A) and Senior Procurement Executive

Subj: Supplement to Class Deviation dated February 26, 2026, entitled VA Acquisition Regulation (VAAR) Class Deviation to VAAR Part 804, Administrative and Information Matters and Part 852, Solicitation Provisions and Contract Clauses, to Strengthen Compliance with Contractor Personnel Vetting

To: Heads of the Contracting Activities

1. Purpose. To issue a supplement to a class deviation that was issued in accordance with Federal Acquisition Regulation (FAR) 1.404, and VAAR 801.404, Class deviations, to clarify the requirement for personnel vetting and credentialing for contractor employees that have access to Department of Veterans Affairs (VA) facilities, VA information, and VA information systems.

2. Background. VA is required to comply with executive orders, Federal regulations, and VA requirements for vetting contractor employees. Every contractor employee must be vetted before beginning work at VA. The vetting requirement was established to ensure all contractor employees, who perform work for or on behalf of the Government, are and continue to be reliable, trustworthy, and of good conduct and character. In a recent audit of VA's compliance of this framework, it was determined that VA needed to strengthen contractor vetting requirements. In order to achieve this effort, VA must take three key steps to properly vet contractor employees: (1) VA officials must use the OPM, Position Designation Tool (PDT) to determine the position's risk and sensitivity levels; (2) contracting officers ensure appropriate personnel security clauses are included in contracts, indicating the results from the PDT; and (3) Security Specialists ensure fingerprint checks and background investigations are conducted, and results are evaluated and adjudicated.

3. Current VAAR Policy. VAAR 804.1303 requires contracting officers to insert the deviated VAAR clause at 852.204-70, Personal Identity Verification of Contractor Personnel and supplemental VAAR clause at 852.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractors and/or contractor employees to have physical access to VA facilities, or logical access to VA information and VA information systems. These clauses are used in conjunction with FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel.

4. Need for Deviation Supplement. This deviation requires personnel vetting and credentialing for contractor employees that require access to VA facilities, VA information, and VA information systems. This supplement provides clarification in the implementation of revised and new VAAR clauses and clarifies reporting requirements.

5. Effective Date. Immediately.

6. Expiration Date. This supplement expires when incorporated into the VAAR or is otherwise rescinded.

7. Applicability. This supplement to class deviation applies to all contracting activities and contracting officers. Contracting officers must comply with this class deviation by inserting deviated VAAR clause at 852.204-70, Personal Identity Verification of Contractor Personnel, and new VAAR clause at 852.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractors or contractor employees to have un-escorted, physical access to VA facilities or logical access to VA information, or to VA information systems. Contracting Officers must incorporate the clause at 852.204-72 in any existing contract, not otherwise physically complete (see FAR 4.804-4) or that has more than 6 months remaining. Contracting officers are expected to add the clause to contracts, as soon as practically possible, so enforcement of the clause may begin at option exercise. Contracting officers have discretion regarding the need to enforce or amend the contract when contracts have no option periods left to exercise. Note that without inclusion of the new clause, the contracting officer may be required to separately address any access issues that arise during performance of the contract.

8. Additional information. Send questions to va.procurement.policy@va.gov.

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Jeffrey C. Neill

Attachment-Supplement to Class Deviation

Attachment-Supplement to Class Deviation

SUPPLEMENT TO CLASS DEVIATION

Summary of Supplemental Update

VAAR Part 804, Administrative and Information Matters and Part 852, Solicitation Provisions and Contract Clauses	
Supplement Update #1	**Subpart 804.13—Personal Identity Verification ~~(MARCH (MAY 2026) (DEVIATION)~~** 804.1303 Contract Clause The contracting officer ~~shall~~ **[must]** insert the clauses at 852.204-70, Personal Identity Verification of Contractor Personnel and 852.52.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractor or contractor employees to have **[un-escorted,]** physical access to VA facilities and/or logical access to VA information, and VA information systems. These clauses are used in conjunction with FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel
Supplement Update #2	**Personal Identity Verification of Contractor Personnel (~~MARCH~~ [(JUNE 2026) (DEVIATION)]** a. The Contractor ~~shall~~ **[must]** comply with current Department of Veterans Affairs policy for personal identity verification of all employees performing under this contract when **[un-escorted,]** physical access to VA facilities, and/or logical access to VA information and VA information systems is required.
Supplement Update #3	**Personal Identity Verification of Contractor Personnel (~~MARCH~~ [(JUNE 2026) (DEVIATION)]** b. The Contractor ~~shall~~ **[must]** insert this clause in all subcontracts when the subcontractor's employees will require **[un-escorted,]** physical access to VA facilities, and/or logical access to VA information and VA information systems.

Supplement Update #4	*(g) Regular Reporting.* The contractor ~~shall~~ **[must]** submit **an initial list of all contractor/subcontractor employees performing under the contract to the PIV sponsor within 10 business days of contract award, or exercise of option period. Any changes in contractor/subcontractor employees performing under the contract must be reported in a quarterly status report to the PIV Sponsor** within 5 business days after the end of each calendar quarter **or** as requested by the Government **(i.e. in order to initiate contract close-out procedures, compliance checks, etc.** The report must provide the status of each contractor/subcontractor employee who is required to have a PIV/identification card during the performance of the contract. The report ~~shall~~ **[must]** identify the Contractor and the contract number and list the following status for each contractor/subcontractor employee who holds a PIV/identification card under this contract.
Supplement Update #5	~~(g)~~**[(h)]** Flow down of clause. The Contractor ~~shall~~ **[must]** include the substance of this clause in subcontracts, third-party agreements, and BAA's, in which subcontractors, third-party servicers/employees, and business associates will perform functions where they will have **[un-escorted,]** physical access to a VA facility or logical access to VA data, information, VA sensitive information, or information technology or VA information system containing such data or information.
Supplement Update #6	~~5. Applicability. All VA contracting activities.~~
Supplement Update #7	~~8. **Required Action**~~ **7. Applicability. Contracting officers, must** comply with this class deviation by inserting deviated VAAR clause at 852.204-70, Personal Identity Verification of Contractor Personnel and supplemental VAAR clause at 852.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractors or contractor employees to have **[un-escorted,]** physical access to VA facilities, or logical access to VA information, and VA information systems. Contracting officers must incorporate the clause at 852.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractors or contractor employees to have **[un-escorted,]** physical access to VA facilities, or logical access to VA information, and VA information systems. Contracting officers must incorporate the clause at 852.204-72 in any

	existing contract, not otherwise physically complete (see FAR 4.804-4) or ~~have~~ **[that has]** more than six months remaining**[. Contracting officers are expected to add the clause to contracts, as soon as practically possible, so enforcement of the clause may begin at option exercise. Contracting Officers have discretion regarding the need to enforce or amend the contract when contracts have no option periods left to exercise. Note that without inclusion of the new clause, the contracting officer may be required to separately address any access issues that arise during performance of the contract.]** ~~, requiring contractor employees to have access to VA facilities, VA information, or to VA information systems.~~
Supplement Update #8	*(e) Identification Cards.* The Government will provide a Personal Identification Verification (PIV) card or other identification card, as necessary, to fit Contractor personnel who require **[unescorted]** physical access to VA facilities and/or logical access to VA data, information, VA sensitive information, or information technology or VA information systems containing such data or information. Contractor and subcontractor personnel must prominently display their PIV/identification card on their persons while working at a VA facility and must present their PIV/identification card for inspection upon request by a VA official. The Contractor must surrender the employee or subcontractor employee's PIV/identification card **[to the PIV sponsor of record, contracting officer's representative (COR), or a Personal Credential Facility (PCIF) when any of the following occur:]** ~~in accordance with the requirements set forth in Directive/Handbook 0735 when any of the following events occur:~~
Supplement Update #9	*(f) Lost/stolen.* Immediately upon detection, the Contractor must report a lost or stolen PIV/identification card to the Government authorities **[such as the PIV sponsor of record, COR or a PCIF]** as identified in Directive/Handbook 0735. Within 48 hours of reporting the lost/stolen PIV/identification card, the Contractor must submit to the **[PIV sponsor of record, COR or PCIF]** ~~Program Manager~~ an incident report that describes the relevant facts and circumstances regarding the loss/theft. If the loss/theft was reported by the Contractor to the local police, the Contractor must

	submit a copy of the final police report to the **[PIV sponsor of record, or COR or PCIF]** ~~Program Manager~~ within 48 hours of the report being made available by the local police department. The Government will not reimburse the Contractor for any costs that result from lost/stolen PIV/identification card(s).
Supplement Update #10	Minor Administrative changes and revise all “shall” to “must” throughout the text.

VAAR Text Baseline is 48 CFR chapter 8 dated June 8, 2026. Changes to baseline shown as **[bolded, bracketed additions]** and strikethrough deletions. VAAR text unchanged shown as asterisks.

PART 804 – ADMINISTRATIVE AND INFORMATION MATTERS

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Subpart 804.13—Personal Identity Verification ~~(MARCH (JUNE 2026) (DEVIATION)~~

804.1303 Contract clause.

The contracting officer **[must]** insert the clauses at 852.204-70, Personal Identity Verification of Contractor Personnel and 852.52.204-72, Personnel Vetting and Credentialing, in solicitations and contracts that require contractor or contractor employees to have **[un-escorted,]** physical access to VA facilities and/or logical access to VA information, and VA information systems. These clauses are used in conjunction with FAR clause 52.204-9, Personal Identity Verification of Contractor Personnel.

PART 852 – SOLICIATION PROVISIONS AND CONTRACT CLAUSES

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Subpart 852.2—Text of Provisions and Clauses

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852.204-70 Personal Identity Verification of Contractor Personnel. [(Deviation)]

As prescribed in 804.1303, insert the following clause:

Personal Identity Verification of Contractor Personnel ~~(DEVIATION)~~ ~~(MARCH~~ [(JUNE 2026) (DEVIATION)]

a. The Contractor **[must]** comply with current Department of Veterans Affairs policy for personal identity verification of all employees performing under this contract when **[un-escorted,]** physical access to VA facilities, and/or logical access to VA information and VA information systems is required.

b. The Contractor **[must]** insert this clause in all subcontracts when the subcontractor's employees will require **[un-escorted,]** physical access to VA facilities, and/or logical access to VA information and VA information systems.

852.204-72, Personnel Vetting and Credentialing. ~~(MARCH MAY 2026~~[(Deviation)]

As prescribed in 804.1303, insert the following clause:

Personnel Vetting and Credentialing. (~~MARCH~~ JUNE 2026) [(Deviation)]

(a) **Definitions. As used in this clause –**

VA Information system is the same as information system and means, pursuant to 38 U.S.C. 5727, a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information whether automated or manual.

VA sensitive information means all VA data, on any storage media or in any form or format, which requires protection due to the risk of harm that could result from inadvertent or deliberate disclosure, alteration, or destruction of the information and includes sensitive personal information. The term includes information where improper use or disclosure could adversely affect the ability of VA to accomplish its mission, proprietary information, records about individuals requiring protection under various confidentiality provisions such as the Privacy Act and the HIPAA Privacy Rule, and information that can be withheld under the Freedom of Information Act. Examples of VA sensitive information include the following: individually-identifiable medical, benefits, and personnel information; financial, budgetary, research, quality assurance, confidential commercial, critical infrastructure, investigatory, and law enforcement information; information that is confidential and privileged in litigation such as information protected by the deliberative process privilege, attorney work-product privilege, and the attorney-client privilege; and other information which, if released, could result in violation of Attachment-Supplement to Class Deviation law or harm or unfairness to any individual or group, or could adversely affect the national interest or the conduct of Federal programs.

(b) *General.* Contractor personnel assigned to work for or on behalf of VA must undergo a background investigation commensurate with the risk and sensitivity level designation associated with the work to be performed at the level indicated in the contract. The Contractor and subcontractors must comply with VA Directive/Handbook 0710, Personnel Security and Suitability Program, which can be accessed at: https://www.va.gov/vapubs/search_action.cfm?dType=1 .

(c) *Risk and Sensitivity Levels*. The following table identifies the risk and sensitivity levels that apply to any personnel providing services under this contract.
*VA Administrations, organizations and staff offices will use the OPM Position Designation Tool.

Positions/Tasks Designated as Non-Sensitive Positions – Tier 1/Low Risk
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 1/Low Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 1/Low Risk]
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[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 1/Low Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 1/Low Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 1/Low Risk]
Positions/Tasks Designated as Non-Sensitive Positions - Tier 2/Mod Risk
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 2/Mod Risk]
Positions/Tasks Designated as Non-Sensitive Positions - Tier 4/High Risk
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 4/High Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 4/High Risk]
[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 4/High Risk]
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[Contracting Officer to enter position or task number, if all positions fulfilling a task are Tier 4/High Risk]

Security clearances are granted to individuals with a specific requirement for access to classified material (for example, Confidential, Secret and Top Secret). Contractor personnel that are required to obtain a security clearance will be subject to a Tier 3 or Tier 5 investigation. The following sensitivity designations have been assigned for the identified Tier 3 and Tier 5 required by this contract:

Tier 3: *[Contracting Officer to enter "Non-Critical" or "Not Applicable" if no positions are identified as Tier 3]*

Tier 5: *[Contracting Officer to enter either Critical Sensitive and/or Special Sensitive, or "Not Applicable" if no positions are identified as Tier 5]*

(d) *Fitness*. The results from a background investigation are used to determine if an individual's fitness is sufficient for that individual to perform work for or on behalf of VA in the position identified in this contract. Contractor fitness determinations are made in accordance with 5 CFR Part 731.202. Fitness requirements for employment are separate and distinct from job qualifications. If a Contractor or subcontractor employee is found to be unsuitable or unfit to provide services under this contract, the Contractor must immediately remove the employee from working on this contract and take those necessary steps that restrict the employee's logical access to VA data, information, VA sensitive information, or information technology or VA information systems containing such data or information. The Contractor must advise the employee that they are not permitted to access any VA controlled building or real property in relation to this contract. The removal of an unfit Contractor or subcontractor employee does not alleviate the Contractor from satisfying the requirements of this contract. The Government will not reimburse the Contractor for any costs associated with the recruitment/replacement of an employee or subcontractor employee who is found to be unfit.

(e) *Identification Cards*. The Government will provide a Personal Identification Verification (PIV) card or other identification card, as necessary, to fit Contractor personnel who require **[unescorted]** physical access to VA facilities and/or logical access to VA data, information, VA sensitive information, or information technology or VA information systems containing such data or information or information. Contractor and subcontractor personnel must prominently display their PIV/identification card on their persons while working at a VA facility and must present their PIV/identification card for inspection upon request by a VA official. The Contractor must surrender the employee or subcontractor employee's PIV/identification card **[to the PIV sponsor of record, contracting officer's representative (COR), or a Personal Credential Facility (PCIF) when any of the following occur:]** ~~in accordance with the requirements set forth in Directive/Handbook 0735 when any of the following events occur:~~

1. When no longer needed for contract performance.
2. Upon completion of the Contractor/subcontractor employee's employment.
3. Upon contract completion or termination.

(f) *Lost/stolen.* Immediately upon detection, the Contractor must report a lost or stolen PIV/identification card to the Government authorities **[such as the PIV sponsor of record, COR or a PCIF]** as identified in Directive/Handbook 0735. Within 48 hours of reporting the lost/stolen PIV/identification card, the Contractor must submit to the **[PIV sponsor of record, COR or PCIF]** ~~Program Manager~~ an incident report that describes the relevant facts and circumstances regarding the loss/theft. If the loss/theft was reported by the Contractor to the local police, the Contractor must submit a copy of the final police report to the **[PIV sponsor of**

record, or COR or PCIF] ~~Program Manager~~ within 48 hours of the report being made available by the local police department. The Government will not reimburse the Contractor for any costs that result from lost/stolen PIV/identification card(s).

(g) *Regular Reporting.* The Contractor must submit ~~a status report~~ **[an initial list of all contractor/subcontractor employees performing under the contract to the PIV sponsor within 10 business days of contract award, or exercise of option period. Any changes in contractor/subcontractor employees performing under the contract must be reported in a quarterly status report]** to PIV Sponsor within 5 ~~working~~ **[business]** days after the end of each calendar quarter ~~and~~ **[or]** as requested by the Government **[(i.e.)]** in order to initiate contract closeout procedures **[, compliance checks, etc.]** The report must provide the status of each contractor/subcontractor employee who is required to have a PIV/identification card during the performance of the contract. The report must identify the Contractor and the contract number, and list the following status for each contractor/subcontractor employee who holds a PIV/identification card under this contract:

1. Contractor/subcontractor employee name.
2. Name of VA facility where Contractor/subcontractor employee works, if applicable.
3. Date background check submitted for Contractor/subcontractor employee.
4. Date PIV/identification card issued to Contractor/subcontractor employee.
5. Contractor/subcontractor employee's PIV/identification card number, as applicable.
6. Date Contractor/subcontractor employee no longer has need for PIV/identification card.
7. Date Contractor notified VA that PIV/identification card is no longer required.
8. Date Contractor returned PIV/identification card was returned to VA.

(h) *Flow down of clause.* The Contractor must include the substance of this clause in subcontracts, third-party agreements, and BAA's, in which subcontractors, third-party services/employees, and business associates will perform functions where they will have **[un-escorted,]** physical access to a VA facility or logical access to VA data, information, VA sensitive information, or information technology or VA information system containing such data or information.

(End of clause)

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