

**JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN
COMPETITION**

Pursuant to the requirements of the Competition in Contracting Act (CICA) as implemented by the Revolutionary FAR Overhaul (RFO) 6.103 (FAR Class Deviation 25-11¹) and in accordance with the requirements of RFO 6.104, the justification for the use of the statutory authority under RFO 6.103 is justified by the following facts and rationale required under RFO 6.104-1 as follows:

1. Agency and Contracting Activity.

The U.S. Department of Homeland Security, Office of Procurement Operations, on behalf of the Office of Biometric Identity Management (OBIM), intends to award a sole source contract for Thales enterprise fingerprint licensing for matching hardware, software, maintenance, sustainment, and operational support services. This document constitutes a Sole Source Justification in accordance with applicable Federal Acquisition Regulation (FAR) requirements.

2. Nature and/or Description of the Action being Approved.

The Department of Homeland Security (DHS), Office of Biometric Identity Management (OBIM), intends to award a sole-source, Firm-Fixed-Price contract to Thales DIS USA, Inc., located at 9442 N Capital of Texas Hwy Bldg. 2, Austin, TX, 78759-7262, for enterprise fingerprint matching hardware/software licenses, integration, modernization, sustainment, and 24x7 maintenance support services. These services will support proprietary biometric matching technologies currently deployed within the Automated Biometric Identification System (IDENT) and Homeland Advanced Recognition Technology (HART) environments.

a) Estimated total value of the order is [REDACTED], as shown below:

Period	Unit price	Total
Base Year (12-months)	N/A	[REDACTED]
Total:		[REDACTED]

(a) Type of funding: Operations and support funds.

(b) Year of funding: Fiscal Year 2026.

(c) Solicitation number: 70RDA126Q00000108

¹ In this document, citations to RFO Parts 6, 10, 15, 25 are citations specifically to FAR Class Deviation 25-11 for FAR Part 6, FAR Class Deviation 25-06 for FAR Part 10, FAR Class Deviation 26-08 R1 for FAR Part 15, and FAR Class Deviation 25-09 R1 for FAR Part 25, which were issued as part of the Revolutionary FAR Overhaul (RFO), implemented in response to Executive Order 14275, Restoring Common Sense to Federal Procurement, signed April 15, 2025.

- (d) Background information about the requirement: The Office of Biometric Identity Management (OBIM) is the Congressionally designated lead entity within the Department of Homeland Security (DHS), responsible for biometric identity services. The capability to match, store, share, and analyze biometric identity information includes OBIM's operation, maintenance, and improvement of the central DHS biometric repository which is currently the Automated Biometric Identification System (IDENT), and in the future the in-development replacement system for IDENT, Homeland Advanced Recognition Technology (HART). OBIM is the lead entity for DHS biometric identity management services, supporting multiple DHS components and federal partners.

3. Description of Supplies/Services.

The requirement is to provide enterprise-level fingerprint matching hardware/software, integration services, sustainment, modernization, lifecycle support, and 24x7 maintenance support for DHS biometric systems supporting identity verification, vetting, screening, law enforcement, immigration, border security, national security, and public safety operations. It includes:

- Enterprise software licensing for biometric matching
- Hardware/software maintenance and support
- Modernization and enhancement services
- Disaster recovery/continuity of operations support
- Cybersecurity compliance
- Operational and lifecycle management support

4. Identification of Statutory Authority Permitting Other Than Full and Open Competition. .

The statutory authority permitting other than full and open competition is 41 U.S.C. 3304(a)(1) implemented by the RFO Subpart 6.103-1 entitled "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. Identification of Exception to the Buy American Statute.

The exception to the Buy American statute permitting the purchase of articles that are not domestic end products is RFO 25.103(b)(2) Nonavailability.

6. Demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

- (a) Rationale for using the authority cited in section 4 of the J&A;
The authority cited is 41 U.S.C. 3304(a)(1), as implemented by RFO Subpart 6.103-1 entitled "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements." This authority is used because the required biometric

fingerprint matching software, licenses, and maintenance services are proprietary to Thales and are currently integrated into DHS's IDENT and HART environments. Thales is the only vendor with the technical expertise, intellectual property rights, and access to proprietary source code necessary to provide the required updates, integration, and support. No other source can provide these services without significant risk, cost, and disruption to mission operations.

- (b) Details covering what events lead to the situation requiring use of other than full and open competition procedures including whether any portion of the work can be segregated to allow for competition;

The current DHS biometric systems (IDENT and HART) are tightly integrated with Thales's proprietary fingerprint matching technologies. These systems have been developed and maintained over many years using Thales's software and hardware, and the technical data, source code, and proprietary interfaces are not available to the Government or to third parties. Market research, including an RFI and review of commercial solutions, confirmed that, at this time, Thales is the only available source, and that only Thales can provide compatible software and maintenance. No portion of the work can be segregated for competition without requiring a complete system replacement, which would result in significant duplication of costs and operational risk.

- (c) Summarize alternatives considered and why they will not work;

- Competing the requirement among other biometric software vendors.
- Transitioning to a different biometric matching platform.
- Segregating portions of the requirement for competition.

These alternatives will not work for the following reasons:

- Other vendors do not have access to the proprietary Thales technology, source code, or interfaces, and cannot provide compatible software or maintenance.
- Transitioning to a new platform would require a complete redevelopment and integration effort, including system reengineering, cybersecurity accreditation, operational validation, and retraining, resulting in significant cost, schedule delays, and risk of operational disruption.
- Segregating the work is not feasible because the entire biometric matching environment is dependent on the integrated Thales solution.

- (d) Impact to the mission that would result if the J&A is not approved and, consequently, the product or service not provided.

If the J&A is not approved and the required Thales software, licenses, and support are not provided, DHS will face significant mission impacts, including:

- Potential interruption of mission-critical biometric identification services used for border security, immigration screening, law enforcement vetting, and national security.

- Inability to maintain, update, or secure the existing biometric systems, leading to increased cybersecurity risk and potential system failures.
- Loss of operational continuity for IDENT and HART, which support multiple DHS components and federal partners.
- Significant duplication of costs and operational delays if forced to replace the existing system with a non-compatible solution.
- **If using “Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements” as your authority, also include the following:**

The requirement is for enterprise-level fingerprint matching software licenses, hardware integration, maintenance, modernization, disaster recovery, and operational support services for DHS biometric systems. The contractor must provide proprietary software updates, patches, technical support, and integration services for the IDENT and HART biometric environments. This includes full lifecycle management, compliance with DHS cybersecurity policies, uninterrupted 24x7 maintenance, and operational support, as well as capacity management, disaster recovery, and reporting as specified in the contract.

- Information on why only one contractor is capable of fulfilling the requirements;

Thales DIS USA, Inc. is the only contractor capable of fulfilling these requirements because the IDENT and HART biometric systems are tightly integrated with Thales’s proprietary fingerprint matching technologies. [REDACTED]

[REDACTED] necessary for maintenance, updates, and integration. [REDACTED]

- Why other proposed contractors are unable to meet the requirements;

Market research included an RFI issued in February 2026, with 14 responses received. After evaluation, only Thales was determined to be capable of meeting the full technical and operational requirements. Other vendors either lacked access to the proprietary Thales technology or could not provide compatible software, maintenance, or integration services. Any attempt by another contractor to provide these services would require a complete system replacement, which is not feasible due to cost, complexity, and operational risk.

- Unique capabilities or qualifications of the contractor that form the basis for the justification; and

Thales possesses exclusive rights to the proprietary fingerprint matching software and hardware used in IDENT and HART. Thales has decades of experience supporting DHS biometric operations, maintains the technical data and source code, and provides specialized expertise in biometric matching, integration, cybersecurity, and lifecycle management. Their unique qualifications include the ability to deliver seamless updates,

maintenance, and operational support for mission-critical DHS biometric systems, as well as compliance with federal security requirements and performance standards.

- Information on why and description of the extent to which the Government will be harmed if the supply or service is not acquired from that vendor.

Failure to procure continued maintenance and support from the incumbent proprietary vendor could adversely impact DHS mission operations involving border security, immigration screening, law enforcement vetting, and national security functions. The estimated duplication of cost associated with transitioning to an alternative solution would be substantial and would include software replacement costs, integration engineering, testing, accreditation, and operational transition expenses.

7. Description of Efforts Made to Ensure that Offers are Solicited from as Many Potential Sources as is Practicable.

- (a) If an announcement has already been made in SAM.gov, provide the date of publication; or

At the time of this justification, an announcement has not yet been posted on SAM.gov.

- (b) If an announcement is being planned for posting in SAM.gov, provide the estimated date of publication; or

A notice of intent to award a sole source contract to Thales DIS USA, Inc. is planned for publication on SAM.gov. The estimated date of publication is October 8, 2026.

- (c) If an announcement will not be published, identify the applicable exception under FAR Part 5.

N/A

8. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable.

The contracting officer determines that the anticipated price(s) will be fair and reasonable based on a review of prior acquisition history, comparison with historical maintenance and licensing costs for similar biometric software and support services, and available commercial pricelists. The proposed price of [REDACTED] for a 12-month period aligns with previous DHS enterprise software support contracts and independent Government cost estimates.

Additionally, market research included an evaluation of commercial pricing for comparable biometric software maintenance services, confirming that the Thales pricing is consistent with industry standards for proprietary, mission-critical biometric solutions. The contracting officer also considered the unique technical requirements and integration needs of the DHS

IDENT and HART systems, which further support the reasonableness of the proposed price.

9. Description of Market Research.

- (a) Describe the market research techniques utilized, the specific results of the market research, the date when the market research was conducted, and how the market research was used by the contracting officer to determine price reasonableness.

Market research was conducted by the Office of Biometric Identity Management (OBIM) from February 2026 through August 2026. Techniques utilized included issuing a Request for Information (RFI) to industry, reviewing acquisition history, evaluating vendor capabilities, and analyzing commercial contract vehicles such as GSA MAS and NASA SEWP. Fourteen responses were received to the RFI; of these, only Thales was determined to be capable of meeting all technical and operational requirements due to the proprietary integration of their technology with the existing DHS IDENT and HART systems.

Additional research included review of National Institute of Standards and Technology (NIST) test results, internet searches for potential vendors, and examination of System for Award Management (SAM) and Contractor Performance Assessment Reporting System (CPARS) records. The market research confirmed that no other vendor could provide the required proprietary software, maintenance, and integration services without significant redevelopment and operational risk.

The contracting officer used the results of this market research, along with commercial pricelists and prior acquisition history, to determine that the proposed pricing from Thales is fair and reasonable and consistent with industry standards for proprietary, mission-critical biometric solutions.

- (b) Describe the market research results that support the determination that the items are nonavailable

A Request for Information (RFI) was issued in February 2026 to determine if any vendors, including domestic sources, could provide enterprise fingerprint matching software and maintenance compatible with DHS's IDENT and HART systems. Fourteen responses were received. Market research, including review of commercial contract vehicles, NIST test results, and vendor capability assessments, confirmed that no other vendor—domestic or otherwise—could provide the required proprietary software, maintenance, or integration services. All other respondents either lacked the necessary proprietary technology or could not meet the technical requirements. Based on these results, it was determined that the requisite supplies and services are not available from any source other than Thales.

- (c) If market research was not conducted, a reason for its absence must be cited here.

Market research was conducted between February 2026 and August 2026.

- (d) If patents, copyrights, and/or intellectual property are applicable to the acquisition, describe the circumstances for acquiring a patented or copyrighted product on the representation of the intellectual property holder that has not been licensed for resale.

The acquisition involves proprietary software and technology owned by Thales. Thales is the intellectual property holder and sole provider of the fingerprint matching software and associated maintenance services integrated into DHS's IDENT and HART systems. The Government does not possess the technical data packages, source code, or rights necessary to permit third-party maintenance or modification.

The contract will be awarded directly to Thales DIS USA, Inc, the intellectual property holder, ensuring legal access to updates, support, and integration services required for DHS operations.

10. Any Other Facts Supporting the Use of Other Than Full and Open Competition.

- (a) An explanation why technical data packages, specifications, statement of work, or purchase descriptions are not suitable for full and open competition.

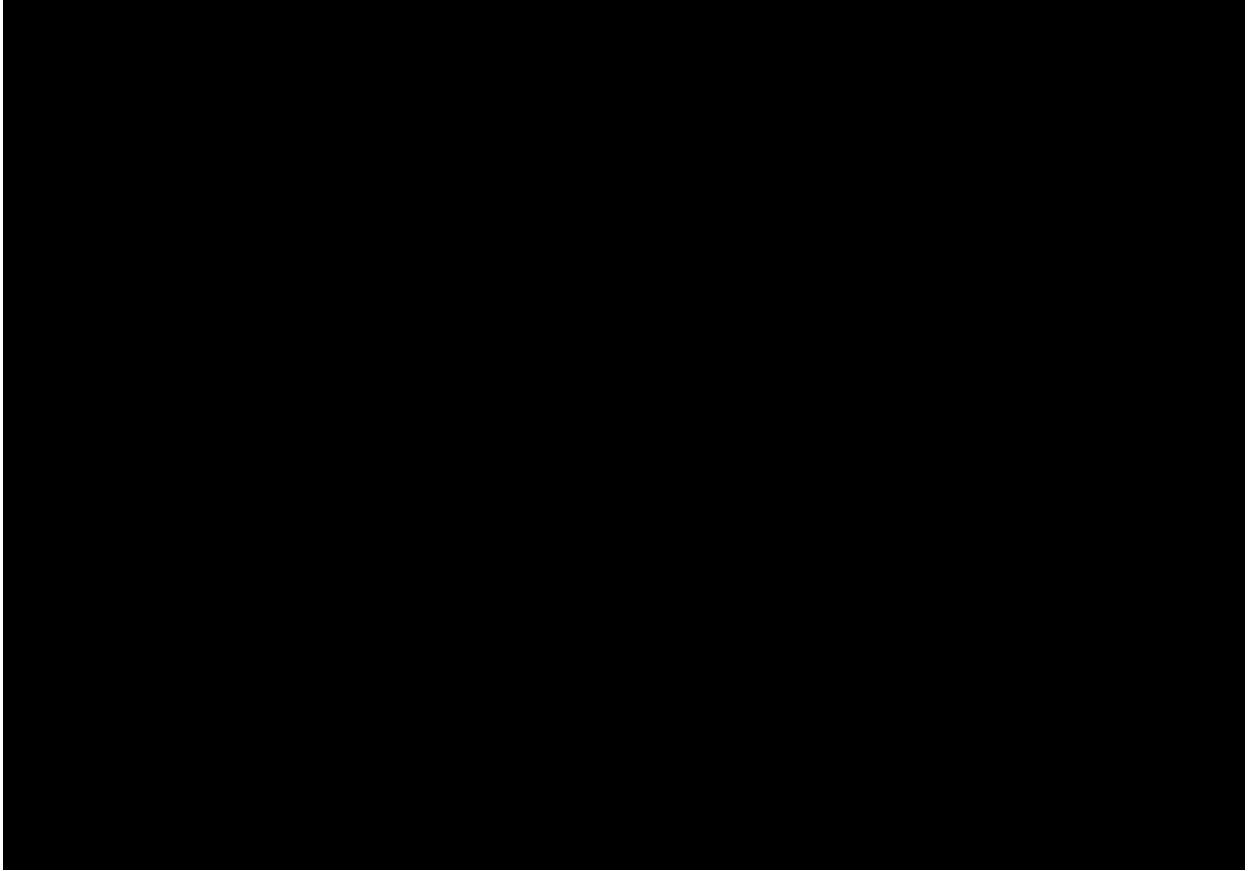
The technical data packages, source code, and proprietary software interfaces for the IDENT and HART biometric systems are owned and controlled exclusively by Thales. The Government does not possess or have rights to these materials, and they are not available to third parties. As a result, no other vendor can legally or technically provide maintenance, updates, or integration services for these systems. The statement of work and purchase descriptions are inherently tied to the proprietary Thales technology, making them unsuitable for full and open competition.

- (b) Discuss why your requirement cannot be modified to enhance competition.

The requirement cannot be modified to enhance competition because the existing DHS biometric infrastructure is built around Thales's proprietary software and hardware. Any modification to the requirement that would allow for competition would necessitate a complete replacement of the current system, including redevelopment, reengineering, and re-accreditation of biometric platforms, which is not feasible due to the significant operational, financial, and schedule impacts. The need for continuity of operations, integration with existing systems, and maintenance of mission-critical services precludes the possibility of modifying the requirement to allow for competition.

- (c) For a proposed contract subject to the restrictions of RFO 6.103-1 for follow-on acquisitions as described in RFO 6.103-1(c)(2)(i), all Components must provide an estimate of the cost to the Government that would be duplicated and detailed information on how the estimate was derived.

If the Government were to transition to an alternative biometric solution, the estimated duplication of cost would include:



- (d) For a proposed contract subject to the restrictions of RFO 6.103-2(c) or HSAR 3006.103-2(c)(70) (HSAR Class Deviation 25-01) and where RFO 6.103-2 is cited as the authority, describe the exceptional circumstances allowing for an award for a period of performance in excess of the one-year limitation (applicable to all federal agencies) or the DHS-specific statutory 150-day limitation.

N/A

11. A Listing of the Sources, if Any That Expressed, in Writing, an Interest in the Acquisition.

A synopsis will be issued on the Government Point of Entry (GPE) <https://www.sam.gov> by October 8, 2026

12. A Statement of the Actions, if Any, the Agency May Take to Remove or Overcome Any Barriers to Competition Before Any Subsequent Acquisition for Supplies or Services Required.

- (a) Will the Government revise overly technical specifications, acquire data rights, etc.?

Sole Source Justification (SSJ) FY26-0190

DHS is committed to increasing competition for future acquisitions of biometric software and related services. To remove or overcome barriers to competition, DHS will:

- Continue to conduct regular market research and industry outreach to identify emerging technologies and alternative vendors.
- Assess the feasibility of acquiring additional technical data rights or negotiating for greater access to proprietary interfaces and documentation in future contracts.
- Evaluate and, where possible, revise technical specifications and requirements to promote interoperability, open standards, and modular system architecture.
- Explore options for breaking out system components or services that could be competed separately in the future.
- Incorporate lessons learned from current and prior acquisitions to reduce vendor dependency and encourage broader industry participation.
- These actions are intended to ensure that, as the current system reaches end-of-life or as new requirements emerge, DHS will be better positioned to foster a more competitive procurement environment for future needs.

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Sole Source Justification (SSJ) FY26-0190

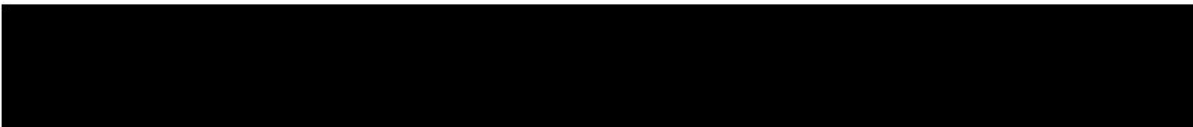
13. **Technical/Requirements Personnel Certification.** I certify this requirement meets the Government's minimum need and that the supporting data, which forms a basis for this justification, is complete and accurate.



Technical Representative

Date

14. **Contracting Officer's Certification.** I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.



Contracting Officer

Date

APPROVAL:

VICTORIA D SHORT

Procuring Activity Advocate for Competition

Digitally signed by VICTORIA D SHORT
Date: 2026.09.26 08:28:57 -04'00'

Date