

**Department of Homeland Security
Office of Inspector General
Sole Source Justification**

In accordance with the Federal Acquisition Regulation (FAR) 8.4 and General Services Administration Acquisition Manual (GSAM) 538.7104-3(b), the following justification documents the decision to award a Federal Supply Schedule (FSS) order on a sole source basis.

(1) Mission Area and Contracting Activity.

Requisition Number: REQASR-26-00-041

Requesting Activity Agency: Department of Homeland Security (DHS), Office of Inspector General (OIG), Office of Management (OM), Assets, Security & Readiness Division (ASR)

Contracting Activity: DHS OIG Acquisitions Division

(2) Nature and/or description of the action being approved.

This justification authorizes and approves the award of a modification to an existing FSS order on a Labor Hour/Time & Material basis that will provide contractor services and materials needed to assess and upgrade existing security systems in DHS OIG facilities.

The suggested contractor is:
Security Hunter, Inc.
2025 Lord Baltimore Drive, Suite F
Windsor Mill, MD 21244
Unique Entity Identifier: K8TJVC R1N334

(3) A description of the supplies or services required to meet the agency's needs (including the estimated value).

The primary objective of this modification to FSS order 70VT1523F00038 is to ensure the security systems in DHS OIG facilities are fully operational to ensure the organization maintains a state of readiness across all office locations. This is a critical need to return non-working security systems to operation, keep operational systems operational, and perform system upgrades to gain compliance with industry standards, with the goal of supporting and protecting the OIG workforce while enabling the OIG mission.

The work being performed under this modification is commercial in nature and expected to be completed in twelve months. In addition to supplying the necessary equipment and materials, this modification will include labor costs for installation and repairs, as well as expenses for contractor personnel to travel to DHS OIG facilities across the United States. The total estimated value of the modification is [REDACTED], as shown below.

Performance Period	Labor	Equipment	ODCs	Total
12 months	[REDACTED]			

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(4) Identify the statutory authority permitting other than full and open competition.

The statutory authority supporting the placement of an FSS order that exceeds the Simplified Acquisition Threshold (SAT) on a sole source basis is: GSAM 538.7104-3 (b)(ii) - Only one source is capable of providing the products, services, or solution required at the level of quality required because the products, services, or solutions are unique or highly specialized.

(5) Demonstrate that the nature of the acquisition requires using the authority cited.

The statutory authority above applies due to the unique qualifications of the proposed contractor and the nature of the acquisition. The focus of this modification will be to install, repair, replace, or upgrade physical security equipment found to be damaged, out of date, and/or not meeting DHS OIG guidelines. The majority of DHS OIG's security systems are beyond the 10-year lifecycle. Many are experiencing partial failures, and a few are already experiencing complete system failures. The contractor, having performed this kind of work under the current FSS order, possesses specialized expertise and in-depth understanding of DHS OIG security systems that are critical to ensuring the required systems upgrades are completed timely and successfully.

The Intrusion Detection System (IDS) uses the analog phone line for communication to the monitoring location, but various phone providers are discontinuing analog phone line service across the United States in January 2027. When the phone lines are disconnected in January 2027, the IDS would no longer send burglary, motion, or panic alarms to the monitoring center. Without this notification the armed response from Federal Protective Service or local police will not occur. Thus, all 29 DHS OIG alarm systems must be upgraded to digital, networked systems prior to the discontinuing of phone line service. Not completing the IDS upgrades would leave DHS OIG facilities at risk of nefarious activity by leaving the assets vulnerable to attacks, sabotage, or insider threat, and fails to meet any modern-era compliance benchmarks.

The Physical Access Control System (PACS) controls physical access to DHS OIG facilities by authenticating individuals through card readers and associated devices, similar to the use of PIV credentials to provide access to information systems. The PACS upgrade will replace existing controllers with the latest-generation controllers, which provide enhanced encryption and security protections. The upgraded system will transition from the current 32-bit card-authentication capability to 200-bit PIV-class encryption and will restrict reader access to authorized PIV and CAC credentials, preventing other RFID cards from functioning at DHS OIG readers.

The upgrade will also replace existing card readers with readers that include 10-key pads, enabling two-factor authentication—card credential plus a six-digit PIN—for sensitive areas, including classified spaces and areas containing evidence or weapons. In addition, the new readers will use Open Supervised Device Protocol (OSDP) rather than the legacy Wiegand protocol. OSDP enables the PACS controller to authenticate each connected reader and block a reader that provides incorrect or unauthorized data, helping prevent unauthorized reader replacement, tampering, or injection of malicious data.

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Failure to complete the PACS upgrades would leave DHS OIG facilities reliant on a system with known vulnerabilities and increase the risk of unauthorized access, theft, sabotage, or insider threats. The upgrades are necessary to strengthen DHS OIG's physical-access security posture and support compliance with applicable Federal identity, credentialing, access-management, and security requirements, including HSPD-12, FICAM, FIPS 199, FIPS 201, NIST SP 800-116, NIST SP 800-53, and Executive Order 14111.

Security Hunter, Inc. currently provides DHS OIG with corrective maintenance, preventive maintenance, and related services for the affected physical-security systems under an existing competitively awarded FSS order. Through this work, Security Hunter has developed current, system-specific knowledge of DHS OIG facilities; existing physical-security system configurations; known vulnerabilities; equipment condition; site-specific requirements; and prior maintenance, repair, and upgrade activities. The contractor has also demonstrated the capability and efficiency necessary to support DHS OIG's physical security environment.

This system-specific knowledge is necessary to complete the required upgrades within the operationally acceptable schedule. Transitioning the work to a new contractor would require the new contractor to obtain, hire, screen, train, equip, and deploy qualified technicians; assess the condition and configuration of the existing systems; obtain familiarity with site-specific security requirements; and develop the technical designs and implementation approach necessary to perform the upgrades. DHS OIG estimates that these activities would delay performance by approximately six months.

The anticipated delay is particularly significant because the existing Intrusion Detection Systems rely on analog telephone lines that are scheduled to be discontinued in January 2027. A delay in completing the upgrades would increase the risk that affected IDS locations will be unable to transmit burglary, motion, or panic alarms to the monitoring center, thereby preventing timely Federal Protective Service or local law-enforcement response.

In addition, Security Hunter's existing design work for the PACS upgrade will be used to support the IDS design effort. A new contractor would need to recreate the relevant system designs within its own tools and processes, resulting in an estimated additional cost of \$100,000 to the Government, as well as further delays. Requiring a new contractor to duplicate completed design work would unnecessarily increase costs and could delay remediation of aging systems that are already experiencing partial or complete failures.

A sole-source modification to Security Hunter will allow DHS OIG to immediately begin planning and executing the required upgrades using the contractor already responsible for maintaining the affected facilities and systems. Security Hunter is uniquely positioned to perform the required work within the operationally acceptable timeframe because of its current, system-specific knowledge; existing work products; familiarity with DHS OIG security requirements; and ability to deploy without the substantial transition period required for a new contractor. Award to another source would create unacceptable schedule, security, and cost risks.

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(6) A determination by the Contracting Officer that the order represents a fair and reasonable price.

Although GSAM 538.7102-2(d) waives a formal determination, the Contracting Officer anticipates that pricing will be fair and reasonable since the order is being placed against the contractor's GSA Schedule. The Contracting Officer will ensure the final price is fair and reasonable by verifying labor category and rate alignment, confirming any applicable discounts, and reviewing the final pricing prior to award. Security Hunter Inc.'s proposed labor rates are consistent with the rates currently approved under the task order. The company is using the same approved labor rates and has offered discounts ranging from 8 to 15 percent off its GSA Schedule rates. Travel and materials will be reimbursed at cost, without profit.

(7) A description of the market research conducted among schedule holders and the results, or a statement of the reason Market Research was not conducted.

Market research was conducted before award of the FSS order and included two separate requests for information. One RFI received no responses, while the other identified five interested vendors. Although DHS OIG anticipated receiving quotations from multiple GSA vendors, Security Hunter, Inc. was the only vendor to submit a quote.

This justification for a sole-source modification to the existing FSS order will be publicly posted. Any responses received will be evaluated, including information identifying potential sources for future follow-on requirements, if necessary.

(8) Any other facts supporting use of other than full and open competition.

Multiple additional factors support the use of this justification for a sole-source modification with Security Hunter, Inc. The planned discontinuation of analog telephone-line service across the United States by January 2027 creates an urgent need to complete the required upgrades. Security Hunter, Inc. is uniquely positioned to perform the work within the necessary timeframe. In addition, Security Hunter, Inc. was the only contractor to submit a quotation when the existing FSS order was competed.

(9) A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition of the supplies or services required.

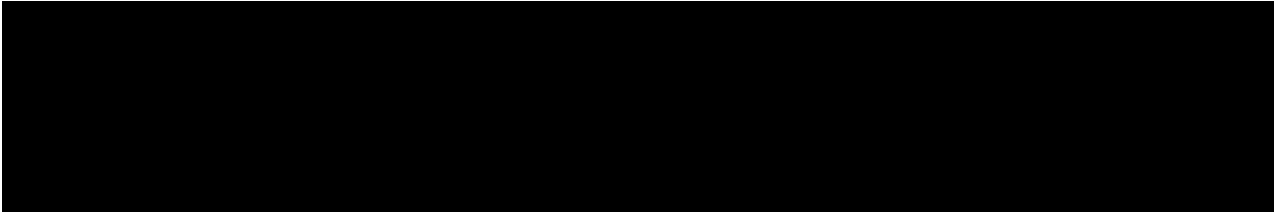
The sole-source modification's 12-month period of performance aligns with the time required to complete the upgrades at all DHS OIG facilities. During this period, only the current contractor can ensure that DHS OIG's security systems are upgraded in a timely and successful manner. For any follow-on requirements, DHS OIG will conduct appropriate acquisition planning and market research to determine the appropriate acquisition strategy.

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(10) Certifications & Approvals

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.

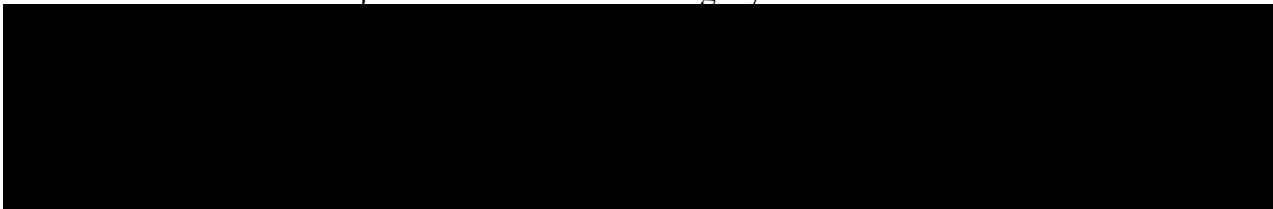


(11) Contracting Officer's Certification

I certify that the data supporting the recommended use of other than full and open competition accurate and complete to the best of my knowledge and belief



I have reviewed this justification and deem it legally sufficient.



(13) Head of the Contracting Activity (HCA)

