



**U.S. Customs and  
Border Protection**

## **INFORMATION BULLETIN NUMBER MTFO 24-003**

**TO:** IMPORTERS, CUSTOMHOUSE BROKERS, FREIGHT FORWARDERS, EXPORTERS, CARRIERS AND MEMBERS OF THE TRADE COMMUNITY

**SUBJECT:** Announcement of Centralized Examination Station (CES) Application Period and Selection Process for Miami International Airport

**DATE:** August 20, 2024

**EXPIRATION DATE:** This announcement expires 60 calendar days from the date of issuance.

### **PURPOSE**

This Information Bulletin is issued to announce the solicitation for applications to operate a Centralized Examination Station (CES) for Miami International Airport, to ensure U.S. Customs and Border Protection (CBP) compliance with Title 19, Code of Federal Regulations, Part 118 (19 C.F.R. § 118.2). The solicitation period commences August 20, 2024, and expires on October 19, 2024. The initial phase of the selection process will consist of a 60-day application period, or "open season." Public comments are also invited as specified in 19 C.F.R. § 118.2.

The Port Director has determined that one (1) or more CES facilities are required to properly meet the needs of CBP and the trade community. One (1) or more applicants may be selected from this solicitation.

### **DEADLINES**

- Public comments must be received by 5:00 P.M. on September 19, 2024, (30 calendar days from the date of this Information Bulletin)
- Applications to operate a CES must be received by close of business on October 19, 2024 (60 calendar days from the date of this Information Bulletin). Applications received after this date and time will not be considered. Applications found to be incomplete may not be considered.

## **SCOPE**

This solicitation is for applicants within the Miami International Airport area of jurisdiction in the State of Florida. The length of the CES agreement will be for a minimum of five (5) years. The agreement is not extendable and will not exceed a total of five (5) years in duration.

## **BACKGROUND**

On January 22, 1993, a final rule was published in the Federal Register amending Chapter 19 of the Code of Federal Regulations (C.F.R.) enacting 19 C.F.R. Part 118, Centralized Examination Stations (CES) effective February 22, 1993. This change was the result of efforts by CBP to improve productivity and service by focusing resources and minimizing travel time required in performing cargo examinations at multiple facilities within a Port of Entry (POE).

A CES is a privately operated facility where imported cargo or cargo for export, designated by CBP for physical examination, is made available for inspection. The CES is used for trade, enforcement, and agriculture examinations. When cargo is designated for inspection at a CES, the importer, carrier, exporter, or its agent is responsible for arranging and paying for the bonded transfer of the merchandise to the appropriate CES as well as any fees charged by the CES for its service. The only exception to the above provision is when a specific commodity requires special handling, equipment, or when CBP determines it necessary. In instances where the Port Director (PD) has determined it necessary, he or she may designate the CES at which any examination must take place pursuant to 19 C.F.R. § 151.15(d). The trade community, by designating its choice of CES, mainly determines the workload of each CES.

Applicants should be aware that as a result of advancements utilizing information technology as well as high-tech equipment, CBP examinations of cargo have become more selective. Consequently, the amount of physical inspections may fluctuate. CES applicants should recognize that minimum numbers of examinations cannot be established.

The Department of Labor (DOL) has concluded that all CES written agreements are subject to the McNamara-O'Hara Service Contract Act (SCA) and certain provisions of the Federal Acquisition Regulation (FAR), including FAR 52.222-1 and 52.222-41 through 52.222-43.

## **CES OPERATOR RESPONSIBILITIES**

The applicant tentatively selected to operate a CES must sign a written agreement with U.S. Customs and Border Protection before commencing operations (19 C.F.R. § 118.3). Failure to execute a written agreement with CBP in a timely manner will result in the revocation of that application's tentative selection and may result in tentative selection of another applicant or republication of the notice soliciting applications.

Pursuant to 19 C.F.R. § 118.4, the CES selected to operate in Miami International Airport agrees to the following by signing the agreement:

- a) Comply fully with the requirements of Executive Order 12989, dated February 13, 1996, particularly with Sections 1 (a) and (b), which pertain to the unlawful employment of aliens and to the anti-discrimination requirements of the Immigration and Nationality Act and of any other applicable law. These requirements apply to all persons working, assigned, and/or detailed to the CES facility including all casual and/or temporary labor utilized by the CES operator;
- b) Maintain the facility designated as the CES in conformity with the security standards outlined in the approved application (19 C.F.R. § 118.4(a)), as well as the standards outlined in Appendix E Security Standards for Bonded Facilities (attached) and CBP Physical Security requirements;
- c) Provide service and use of the warehouse facility based upon the needs of CBP. The hours of operation may be increased to include a second shift and/or weekends;
- d) Provide adequate personnel and equipment to ensure reliable and expeditious service for the opening, presentation for inspection, and closing of all types of cargo designated for examination by CBP. Such service must be provided on a "first come-first served" basis with Front of the Line (FOL) privileges provided to Customs-Trade Partnership Against Terrorism (C-TPAT) members, unless otherwise directed by CBP (19 C.F.R. § 118.4(b));
- e) Comply fully with the Department of Labor (DOL) regulations including the federal prevailing wage determinations required by the Service Contract Act (SCA) and the applicable provisions of the Federal Acquisition Regulation (FAR); submit to CBP list of employee wages showing conformity to prevailing wages pursuant to the SCA. The operation can contact DOL for further questions regarding DOL regulations;
- f) Assess service fees as outlined in the fee schedule included in the approved application or as changed according to 19 C.F.R. § 118.5 and bill users directly for services rendered (19 C.F.R. § 118.4(c));
- g) Assume responsibility for all charges and expenses incurred in connection with the operation of the CES (19 C.F.R. § 118.4(d));
- h) Maintain, at his/her own expense, adequate liability insurance with respect to the property within his/her control and with respect to persons having access to the CES (19 C.F.R. § 118.4(e));
- i) Keep current a list of names, dates of birth, and social security numbers (social security numbers are voluntary, but failure to provide may hinder investigation), of all employees, to include full-time, part-time, casual, and temporary employees, filed with the Port Director pursuant to 19 C.F.R. § 118.1 l(f) and 19 C.F.R. § 118.4(i). Additions to or deletions from the list must be submitted in writing to the Port Director within ten (10) calendar days of the commencement or termination of an employee's employment (19 C.F.R. § 118.4(f));

- j) Submit, if requested by the Port Director, the fingerprints of all officers, managing officials, and persons who have direct or indirect financial interest in the proposed CES operation and employees involved in the CES operation (including all casual and/or temporary labor, if utilized) (19 C.F.R. § 118.4(i));
- k) Utilize "E-Verify" for anyone employed by the CES in any capacity (see the U.S. Citizenship and Immigration Services (USCIS) website <http://www.uscis.gov/e-verify> for more information regarding enrollment and use). U.S. law requires companies to employ only individuals who may legally work in the United States either U.S. citizens, or foreign citizens who have the necessary authorization. This diverse workforce contributes greatly to the vibrancy and strength of our economy, but that same strength also attracts unauthorized employment. E-Verify is an Internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify is fast, free and easy to use and it's the best way employers can ensure a legal workforce;
- l) Maintain a CBP Form 301, custodial bond in an amount of \$150,000.00 or greater set by the Port Director. The CES operator will accept and keep safe all merchandise delivered to the CES for examination. The bond will include liability for transporting merchandise to the CES from within the district boundaries (see definition of "district" in 19 C.F.R. § 112.1). The CES operator assumes such liability when he/she picks up merchandise for transportation to his/her facility. The operator also agrees to increase the amount of the bond if deemed appropriate by the Port Director (19 C.F.R. § 118.4(g));
- m) Maintain and make available for CBP examination all records connected with the operation of the CES and retain those records for not less than five (5) years from the date of transaction or examination conducted pursuant to the agreement to operate the CES (19 C.F.R. § 118.4(h));
- n) Provide office space, parking spaces, appropriate sanitary facilities, and potable water (as noted in CES Operational Characteristics and Minimum Requirements (Attachment 1)) to CBP personnel at no charge or at a charge of one dollar (\$1.00) per year (19 C.F.R. § 118.40));
- o) Provide the office equipment necessary for the operational activity of CBP;
- p) Perform any other reasonable requirements imposed by the Port Director, including, but not limited to, voice, data cabling, wireless communication, telephone equipment, providing all required Automated Data Processing (ADP), peripheral equipment and data transfer costs, relocating, at CES operators expense, any Non-Intrusive Inspections equipment required by CBP at the operation, and developing a security awareness program for all CES personnel. (19 C.F.R. § 118.4(k)). The operator will be responsible for all required environmental compliances associated with the operation of a CES;
- q) Participate in and utilize CBP systems, to include, but not limited to, Automated Commercial Environment (ACE) and Automated Broker Interface (ABI);

- r) Provide transportation for merchandise to the CES from within the district boundaries (see definition of "district" 19 C.F.R. § 112.1) when requested by CBP. In these situations, CES operator shall provide receipt for the merchandise when he/she picks it up and assumes liability for the merchandise at that time (19 C.F.R. § 118.4(1));
- s) Provide written notification, to the Port Director within ten (10) calendar days of learning that the proposed CES Operator, or any officer, managing official or a person that the Port Director determines is exercising substantial ownership or control over such operator or officer, is indicted for, convicted of, or has committed acts which would constitute a felony, or a misdemeanor involving theft or a theft-connected crime;
- t) Fumigation services are not allowed in any section of the CES facility where CBP conducts inspections;
- u) Tours or outside personnel are not allowed in the CES facility unless first approved by the Port Director;
- v) Follow all CBP Fines, Penalties and Forfeitures (FP&F) seizure and detention procedures. For detained cargo that results in a seizure, the CES operator (CESO) will assume responsibility for any charges or expenses incurred, including but not limited to the staging of the seizure and loading into the general seized property contractor's container(s) or vehicles;
- w) Ensure that the CES facility complies with all applicable Occupational Safety and Health Act (OSHA) requirements, and;
- x) Comply with all applicable federal, state, and local laws, ordinances and/or regulations, as they would apply to the fulfillment of the responsibilities and service provisions as a designated CES Operator.

## **APPLICATION PROCESS**

All interested parties must meet the minimum standards identified in the CES Application Contents and must submit the attached CES Application Form (Appendix C) and a Fee Schedule to the Port Director by the deadline of this solicitation. Applicants are requested to provide an Authorization for Release of Information Form (Appendix C) for all persons who have direct or indirect financial interest in the proposed CES operation and are officers and/or managing officials of the proposed facility. The submission of this release is voluntary; however, failure to provide the "Authorization" may hinder the investigation process.

Potential applicants are advised that all materials submitted in the application process become the property of CBP. All information included in the CES application can and will be subject to review, investigation, and verification. Information included in the application materials will be utilized to determine an applicant's suitability for consideration in obtaining CES operator privileges.

If upon review it is determined that the applicant, or an officer, managing official, or a person the

Port Director (PD) determines is exercising substantial ownership or control over such potential operator or officer of the CES applicant, is indicted for, convicted of, or has committed acts, which would constitute a felony, or a misdemeanor involving theft or a theft-connected crime, that applicant will be precluded from any further consideration in obtaining CES operator privileges.

Previous failure to comply with any applicable laws, regulations, rules and/or orders, including but not limited to orders issued by the PD, by the applicant and/or its employees will be considered and may preclude the applicant from further consideration.

The application to operate a CES must contain specific information as required in 19 C.F.R. § 118.11. The service capabilities offered, and the physical characteristics of the potential CES location must meet certain minimum standards specified in the CES Operational Characteristics and Minimum Requirements (Attachment 1). Failure to provide the required information and/or meet any of the minimum standards will preclude further consideration of the application. Pursuant to 19 C.F.R. § 118.11, the applicant must provide the following required information.

1. Provide the name and address of the facility to be operated as the CES, and the name and telephone number of an individual to be contacted for further information;

2. Provide the identity of the applicant and type of business entity, e.g., corporation, partnership, sole proprietorship, or other legal identity.

- o Corporations must provide a certified extract of the articles of incorporation.
- o Partnerships must provide a signed copy of the partnership agreement.
- o Fictitious names - if the applicant is conducting business under a fictitious name, so state and provide a copy of the fictitious name filing.
- o Sole Proprietors must identify themselves as such.

3. Provide a current list of all persons who have direct or indirect financial interest in the proposed CES operation, and all officers and managing officials involved in the CES operations of the proposed facility. The list must provide the following information:

- o Full name
- o Company title (position)
- o Social Security Number (voluntary, but failure to provide may hinder investigation)
- o Home address
- o Date of birth
- o Place of birth
- o Telephone number to be contacted for further information

**Note:** In the case of individuals born outside the United States, provide the person's Alien Registration number, or place and date of naturalization.

4. Provide a list of all employees involved in the CES operation setting forth their names, date of birth, and social security number of each. Providing social security numbers is voluntary; however, failure to provide the numbers may hinder the investigation process. 19 C.F.R. § 118.11 (f).

5. The applicant must provide a detailed explanation of the means and methods by which the information as outlined in number three and four above will be provided to CBP prior to the employment of any individual who will be coming in contact with and/or handling any merchandise under CBP control and/or will be allowed access to any CBP restricted areas within the CES. If contracted personnel, including any casual or temporary labor, the same requisites apply.

6. Any changes (new hires, resignations, removals, etc.) in employee status must be provided to the PD in writing within ten (10) calendar days of the change.

7. Provide the fingerprints of all persons who have direct or indirect financial interest in the proposed CES operation and all officers and managing officials of the proposed facility.

8. Provide written notification to the Port Director within ten (10) calendar days of learning that the proposed CESO, or any officer, managing official or a person the Port Director determines is exercising substantial ownership or control over such operator or officer, is indicted for, convicted of, or has committed acts which would constitute a felony, a misdemeanor involving theft, or a theft-connected crime.

9. Provide a description of the CES site's accessibility to the CBP Cargo Building located at Miami International Airport, Concourse D, 4200 NW 21<sup>st</sup> Street, Miami, FL, 33122.

10. Provide a detailed floor plan of the facility which is dedicated to the CES operation indicating the bay doors, office space, exterior features, security features, emergency exits, staging, and workspace.

11. Provide a detailed list of equipment and explanations of logistical capability that confirms that the applicant can make a variety of cargo available for examination in an efficient and timely manner. Include all relevant specifications for the type of cargo handling equipment to be employed. **(see note below\*)**.

12. Provide a detailed description of dedicated office space area for CBP use **(see note below\*)**.

13. Provide a description of storage space for detained or seized merchandise **(see note below\*)**.

**\*NOTE: Applicants are advised to refer to the CES Operational Characteristics and Minimum Requirements. The minimum requirements specified in the CES Operational Characteristics and Minimum Requirements must be completely addressed as they will be used to judge the application. Failure of a CES applicant to meet any of the minimum requirements will preclude further consideration of the application.**

14. Provide a schedule of fees, utilizing the CES Rate Schedule clearly showing what the applicant will charge for each type of service. The CES Rate Schedule should reflect any special costs incurred by the applicant such as facility modifications to meet specific cargo handling or storage

requirements or to meet CBP security standards. The fees set forth in the schedule shall be comparable to fees charged for similar services in the area to be served by the CES. If any of these fees are deemed excessive, that fact may be considered in selection. Once a CESO is selected, a change in fees is only possible if submitted in writing and approved by the Port Director (19 CFR § 118.5).

15. The CES operator agrees that no bonus, rebate, remuneration or anything of value may be offered, paid or transferred to any person as an incentive or reward for the referral of cargo examination business. This does not prohibit legitimate fee arrangements between a CES operator and an importer or broker, such as those based on the prompt payment of CES charges or trade discounts. However, all such arrangements must be included in the CES operator's rate schedule as required by 19 C.F.R. §§ 118.4 and 118.5.

16. Provide a copy of an approved custodial bond on Customs Form 301 in the amount of \$150,000.00 or greater. If the applicant does not currently possess such a bond, a completed CF 301 must be included with the application for approval as a prerequisite to selection.

17. Provide information showing the applicant's experience in international cargo operations and knowledge of CBP procedures and applicable regulations, or a commitment to acquire that knowledge.

18. Provide any information that relates to other commercial business activities or relationships, or other CBP activities or relationships that are an actual or potential conflict of interest.

19. Provide the applicant's procedures for the detection, decontamination, and removal of hazardous material. The applicant must be able to comply with all statutes and regulations pertaining to the transportation and storage of hazardous materials, including but not limited to, 40 C.F.R. Parts 263 and 265.

If significant capital expenditure would be required in order for an existing facility to meet security or other physical or equipment requirements necessary for the CES operation, an applicant may request in the application, time to conform the facility to such requirements. Upon request in the application, the PD may grant up to sixty (60) days from the date of the Public Bulletin announcing the CES selection to bring the facility into conformity with CBP requirements. If deemed necessary by the PD, one 30-day extension period may be granted. In such a case, the CES Agreement shall not be executed until all requirements are met. A team of CBP personnel will verify the level of conformity with the requirements prior to the Agreement being executed. If the requirements are not met, the CES selection will be withdrawn, and another applicant selected.

All corporate applicants must submit a corporate resolution authorizing the signatory to act on behalf of the corporation.

Any materially false statements on the application may result in disqualification and possible prosecution under the provisions of 18 U.S.C. § 1001. Pursuant to 19 C.F.R. §118.21, if it is determined that a CES selection and agreement were obtained through fraud or the misstatement of a material fact then the CES operation will be immediately suspended, and proceedings will



be instituted to permanently revoke the selection of the CESO and to cancel the written CES agreement.

All applicants are strongly urged to read 19 C.F.R. Part 118 to obtain a full understanding of CBP's expectations of a Centralized Examination Station applicant and operator.

## **SELECTION PROCESS**

Application must be received by the Port Director on or before **October 25, 2024**, which is sixty (60) calendar days from the date of this Information Bulletin's issuance. Applications received after the closing date/time will not be considered. Applications found to be incomplete may not be considered. During the first thirty (30) days of this period, the public may submit written comments to the Port Director. See 19 C.F.R. §§118.2 and 118.12.

### **All applications and comments should be addressed to:**

Daniel Alonso  
Port Director  
Miami International Airport  
U.S. Customs and Border Protection  
6601 NW 25<sup>th</sup> St  
Miami, Florida 33122

At the end of the sixty (60) day application period, U.S. Customs and Border Protection will publish a list of applications, including names, facility addresses, fee schedules, equipment, and numbers of employees to be involved in the CES operation. At that time, the public will again be provided thirty (30) calendar days in which to submit written comments to the Port Director. At the conclusion of that time, the Port Director, based upon a review of all applications under criteria set forth in 19 C.F.R. § 118.11 and any public comments submitted under 19 C.F.R. § 118.11 and any public comments submitted under 19 C.F.R. § 118.2 or § 118.12, shall determine whether a CES operator should be selected.

A facility site survey will be conducted for each applicant having timely submitted a complete application package, which meets the designated minimum requirements. A team of CBP personnel will conduct the survey. The purpose of the survey will be to verify the information provided on the application and determine a facility rating.

The facility rating will be determined based on a standardized points system, relative to the specific evaluation criteria contained in the CES Minimum Requirements (Attachment 1). Additional consideration, in the form of points, will be given to those applicants who exceed the minimum required standards and as applicable to the designated evaluation criteria.

After reviewing all applications, comments submitted under 19 C.F.R. §§ 118.2 and 118.12, and the overall facility rating as determined by the CES Review Team, the APD shall make a final determination and tentatively select the applicant(s) that will be granted authority to operate a CES. The APD will select the applicant(s) that will best meet the examination needs of CBP and the

ability to facilitate the movement of import/export cargo, as directed by CBP.

Pursuant to 19 C.F.R. § 118.13, the applicant selected to operate a CES will be notified in writing by the Port Director of his/her tentative selection. The selection shall become final upon execution of the written agreement between CBP and the applicant under 19 C.F.R. § 118.3, and the Port Director will advise the public of the final selection and of the date on which the CES will commence operation under the agreement in accordance with the notice procedures set forth in 19 CFR § 118.2. Each applicant not selected to be a CES operator will be so notified in writing and with a statement of the reason for non-selection.

Tentative selectees are required to provide a list of all persons who have direct or indirect financial interest in the proposed CES operation, all officers, managing officials, and all non-CBP personnel having access to the CES area (drivers, warehouse workers, office personnel, etc.) of the proposed facility upon notification of the tentative selection. The list must provide the following information:

- Full name
- Company title (position)
- Social Security Number
- Date of birth
- Note: In the case of individuals born outside the United States, provide the person's Alien Registration Number, or place and date of naturalization.

Tentative selectees will be required to provide the fingerprints of all persons who have direct or indirect financial interest in the proposed CES operation including all officers and managing officials. Subcontracted personnel having access to the CES area (drivers, warehouse workers, office personnel, etc.) should be fingerprinted by contracting company and fingerprints shall be maintained on file with the CES Operator.

Final selections for CESO will be determined pending review, investigation, and verification of all information related to the operation of the proposed CES facility. Failure to provide all designated information as requested may result in the withdrawal of tentative selection.

Notices will be sent advising the applicant of either final selection or non-selection. A Public Bulletin will be issued to advise of the final selection and the date on which the CES will commence operation.

Applicants should be aware that their designation of CES status covers only the facility described in their application. If any successful applicant changes the location of the facility during the time frame of the agreement, his/her status as a CES is terminated and CBP may initiate a new selection for a replacement CES facility. Further, the designation as a CESO cannot be sold, transferred, inherited, or conveyed in any manner (19 C.F.R. §118.3). See also C.F.R. §§ 118.63(b)(2) and (c)(3); 19 C.F.R. § 118.4(g), and 19 C.F.R. § 118.23(c). Such a sale or transfer may lead to termination of facility's CES status.

Any questions concerning the application process may be directed to Anthony J. Fortunato, Assistant Port Director, Cargo Operations at 305-869-2750 or e-mail [Anthony.J.Fortunato\(a\).CBP.DHS.GOV](mailto:Anthony.J.Fortunato(a).CBP.DHS.GOV).

**DISCLAIMER:** This material is intended to serve as a guide. Recognizing that many complicated factors are involved in CBP procedures, an applicant may consider an independent and qualified source for assistance in preparing a complete and qualifying application package for CES Operator under this solicitation. Reliance solely on this information may not be considered reasonable care. Applicants are referred to Treasury Decision 97-96, not provided by this bulletin, which was published in the Federal Register of December 4, 1997, and in Customs Bulletin of December 17, 1997, for in-depth information as to what constitutes reasonable care.

A handwritten signature in blue ink, appearing to read 'Daniel Alonso', is positioned above the typed name and title.

Daniel Alonso  
Port Director  
Miami International Airport  
U.S. Customs and Border Protection  
Miami Field Office

U.S Customs and Border Protection  
Miami International Airport Centralized Examination Station (CES) Application  
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**MIAMI INTERNATIONAL AIRPORT  
CENTRALIZED EXAMINATION STATION (CES)  
FACILITY REQUIREMENTS**

**OVERVIEW**

A CES is a privately owned facility where merchandise is made available for physical examination to CBP employees. The process for establishing a CES at a port or area under the jurisdiction of a Port Director (PD) is contained in Title 19 of the Code of Federal Regulations (C.F.R.) Part 118. This section of the regulations covers the CES application process, the general responsibilities of the person or entity selected to operate a CES, the requirements for the written agreement to operate a CES, and the process by which a CES may be suspended or terminated.

**The minimum standards contained in this document and the Cargo Facility Design Standards (CFDS) are the requirements that must be included in any facility applying to operate a CES at Miami International Airport.**

The geographic boundaries of the area of consideration for potential CES locations for this announcement are as follows:

- Northern Boundary: **W Okeechobee Rd**
- Southern Boundary: **W Flagler St**
- Eastern Boundary: **NW 27<sup>th</sup> Ave**
- Western Boundary: **Florida's Turnpike**

Any change to the physical location of the CES facility during the term of the agreement will result in the termination of the agreement and CBP's permission to operate the CES will be automatically revoked. In such instances, the CES operator must provide for the orderly winding down of operations and disposition of merchandise as required under its custodial bond, CF301, pursuant to 19 C.F.R. §113.63.

**MINIMUM REQUIREMENTS FOR MIAMI INTERNATIONAL AIRPORT CES FACILITY**

The following criteria are the minimum standards and characteristics that must be present in any application to operate a CES and be designated as a CES operator (CESO). Failure to meet any of the minimum standards may preclude the applicant from further consideration.

**I. General Requirements for the CES Facility**

**A. Accessibility for Transportation of Cargo**

The CES must have easy truck access to the facility to unload and discharge merchandise. The CES facility location should not create a significant delay in the merchandise delivery time to or from the facility and must fall within the geographic boundaries stated above. The CES site must allow a truck to back straight into each bay. The CES facility shall be designed to promote safe and efficient inspections and operational support tasks to CBP officers. The facility shall incorporate

and maintain the highest physical, procedural, and personnel security standards while enabling the most efficient merchandise devanning operations.

**B. CES Facility Staffing and Hours of Operation**

The CESO must be able to provide adequate personnel and equipment to ensure reliable service to meet the operational needs of CBP. Normal operating hours for CES facilities will be from 8:00 AM- 8:00 PM, Monday through Friday, but may be increased to include after-hours service and/or weekend hours based upon workload. These days and hours may change in the future, depending on the needs of CBP and the local trade community. The number of inspections may fluctuate-and is entirely based upon the operational needs of the agency. CBP will not guarantee a minimum number of examinations to any CES facility. The CES facility must be available for use on a 7-day, 24-hour basis. CBP will be responsible for advising the CESO when after-hours services will need to be provided. After-hours availability will be required on a regular and recurring basis.

**C. Shipment and Examination Tracking**

The CESO must provide an internal or company operated container tracking/availability system. The tracking system must be capable of providing the ability to find information on current and past inspections conducted at the CES. At a minimum, the information should be capable of being organized by status, examination type, carrier, and airway bill number. The CESO must also comply with all agency recordkeeping and information retention policies.

**D. Security of CES Facility and Merchandise**

The CESO must comply with all relevant Department of Homeland Security (OHS) and CBP policies relating the security and protection of the CES facility, its employees, and the merchandise shipments. The CES must have a secure perimeter that is adequately maintained and equipped by the CESO and conform to CBP's security standards and operational requirements. This will include general requirements for perimeter walls, perimeter doors, secure storage rooms, weapons and ammunition storage, reception/clerical areas, and evidence vaults. All security features shall comply with the latest agency security policies and procedures.

Security planning is a crucial part of planning a CES facility. The goal for security planning at a CES facility is to protect CBP personnel, facilities, and property. Security planning employs both passive and active elements. Passive elements may include setbacks, non-straight drive aisles, strategic placement of buildings and site features, hardened construction, and sightlines. Active elements may include video surveillance, operable gates, electronic key control, and intruder detection systems. The physical security measures required intended to be used in conjunction with the established operating policies, procedures, and practices of CBP. Access to areas within the CBP perimeter are determined and controlled by CBP. CBP security compliance requirements include, but are not limited to, hardware on doors, duress alarms, lighting requirements, hardened construction for public entries and strong rooms, closed circuit television (CCTV), intrusion detection systems (IDSs), access controls, and signage.

*More detailed information will be provided during the application review process and after tentative selection in consultation with specialists from the Office of Professional Responsibility (QPR) and the Office of Technology (OIT). This information is contained in the OPR Security Handbook, HB 1400-02C Physical Security Policies and Procedures, 2020 which is for Official Use*

*Only (FOUO). The document is available through the signature of a Non-Disclosure Agreement (NDA) form available upon request.*

## **E. CES Agreement and Facility Buildout**

Per federal regulations, the selection of a CES facility only becomes final upon the execution of a written agreement between CBP and the CESO. *See* 19 C.F.R. §§ 118.3; 118.13. This CES agreement **cannot be signed** until the CES facility meets all the security and other physical and equipment requirements necessary for its operation to the satisfaction of the agency. *See* 19 C.F.R. §118.11(b). Any application that requires significant build-out for an existing building to meet the requirements must include this request for additional time in its application.

## **F. Facility and Workspace Equipment**

The CESO is responsible for funding all costs associated with the acquisition, relocation, staging, transport, training, and maintenance of all CBP identified Non-Intrusive Inspection (NII) equipment, either through direct payment to a CBP-approved vendor, or by reimbursement to CBP, as to be determined by CBP upon tentative selection. The CESO shall also be responsible for reimbursing CBP for the actual acquisition costs for workspace computers and other facility-specific equipment. Coordination with CBP at the early stages of the planning process is required to validate requirements.

*More detailed information and specifications will be provided in other attachments to this announcement and during the application review process and after tentative selection. This information is contained in the Cargo Facilities Design Standard, December 2019 which is also available through the signature of the Non-Disclosure Agreement (NDA) from available upon request.*

## **G. CES Facility Services**

Regular maintenance services must be provided throughout the CES. Custodial staff may not be issued any keys to CBP designated areas. Cleaning services are to be provided during CBP's hours of operation while CBP employees are present. Custodial services will not be required outside of normal operating hours. The types of services required, and minimum mandatory frequency are:

- |  |                    |
|--|--------------------|
| • Trash pick-up                                      | Minimum once a day |
| • Kitchen/Break room area cleaning services          | Minimum once a day |
| • Bathroom cleaning services                         | Minimum once a day |
| • Office cleaning services                           | Minimum once a day |
| • HVAC Systems and filter cleanings                  | Quarterly          |
| • Window, carpet, vent, and/or other major cleanings | Bi-annually        |
| • Exterminator/pest control                          | Monthly            |

The CES facility must have an exterminator/pest control program. As per OSHA's sanitation standard 29 C.F.R. § 1910.141(a)(5), the CBP office space must be constructed, equipped, and maintained in such a way to prevent rodents and insects from entering the workplace, and if they are discovered, an effective extermination program must be implemented. These areas include the walls, ceilings, and doors/entry ways. This is a minimum standard. Failure to meet minimum standards will preclude the applicant from further consideration.

The CESO shall provide to the government at no cost, or for \$1 per year:

- Water, gas, electricity, and refuse collection.
- Telephone and data connectivity.
- Security monitoring.
- Antennas.
- Extra utility fees for overtime use.
- Media service package that includes local media and national news networks for facility common area televisions- e.g. break room.

## II. **CES Facility Operational Space Requirements**

CES Facility Operational Space Requirements shall meet the requirements provided for in the Cargo Facility Design Standards.

*The CBP Office of Administration (OA) Project Manager (PM) has final approval authority for meeting CBP operational requirements and will provide official CBP specifications to the CESO, as needed.*

### **A. Inspection Areas**

The CES facility must have sufficient inspection space for examination and seizure of cargo. Inspection areas shall be located reasonably close to cargo holding areas and CBP access points. For proper control of transported cargo, this space shall be adjacent to the loading dock or dedicated CBP access points. The overall warehouse size for this facility shall be a minimum of 100,000 square feet.

**The CBP Inspection Area within the CES must include, at minimum, the following operational areas and facility characteristics to be considered under this solicitation:**

#### *1. Examination and Physical Inspection Area*

CBP officers examine and physically inspect the cargo in this area. Examinations will require worktables and inspection workstations equipped with terminals for data input. Additional space available for the growth of workforce and workstations will be taken into consideration during the application review process. This space must be adjacent to cargo holding areas.

#### *2. Cargo Unloading Area (Cargo Bay doors)*

The CES facility must have a commensurate number of cargo bay doors suitable for a 100,000 square foot facility, with at least one drive in ramp. The size of each unloading area shall accommodate a minimum of 300 cartons on approximately 12 pallets. Growth capability shall be a factor in rating the suitability of a site/facility; this shall be included



with the proposal. The cargo door entrances must be the same height as the dock. If not, some kind of specialized equipment must be present to ensure that devanning/reloading of merchandise is completed in a safe and efficient manner. Fixed, electrical outlets must be available at every cargo bay door.

3. Secondary Inspection Area (Min. NSF 1,000)

This area must include storage capability for enforcement tools and other necessary equipment and technology. Depending on anticipated merchandise shipments, this space will include X-ray equipment, computers, scales, mats, and proper lighting, and/or machine tools for disassembling cargo.

The CESO must have the ability to ensure that its employees de-van merchandise in an organized manner and to ensure that the shipment is repacked in the same manner in which it was originally packed.

As a minimum standard, the CESO should have the ability to unload and maneuver oversized cargo within the facility for inspection and storage if needed.

Merchandise must be stacked no higher than 4 ft. high depending on characteristics of the cargo. (For example, exceptions would be very large crates, machinery, etc.). Merchandise must be staged with a minimum of 6 ft. of open floor space on either side of the devanned merchandise awaiting inspection.

4. Cargo Release Area (Min. NSF 1,000)

Cargo that has been detained for inspection is transferred to the cargo holding or detention areas. Once approved for release, cargo is transferred to the cargo release area. This area is close to the cargo examination and physical inspection areas and CBP operational support areas.

5. Unreleased Cargo Holding Area (Min. NSF 1,000)

This area is used to store cargo that must remain under CBP control, such as shipments awaiting inspection and various clearances. This area is close to the cargo examination and physical inspection areas and BCP operational support areas.

6. Cargo Detention Storage (Min. NSF 1,000)

The CES facility must have an area that specifically designated for merchandise detention. This space must be separately enclosed and sufficiently large to store detained merchandise that is pending further processing. There must be storage closets included within this enclosed space to separate detained merchandise awaiting a final disposition by CBP. In addition, a minimum of 320 NSF of secured space is required for the isolation and secure storage of actionable pest.

7. Seizure Processing Area (Min NSF 1000)

The seizure processing area is adjacent to the temporary vault. The seizure processing area is located within the access-controlled secure area of the cargo inspection facility. The seizure processing area requires an expedited access route to transport contents into secure corridor that leads to the sallyport or controlled exterior transfer point. This room shall comply with the "seized property vaults and storage rooms for permanent and temporary storage," the relevant sections of the current edition of the CBP SPPH and the United States Drug Enforcement Administration (DEA) regulations contained at 21 CFR §§ 1301.72-1301.76. The most stringent requirements of each shall take precedence. The design shall meet Office of Professional Responsibility (OPR) requirements and be approved by the OFO Fines, Penalties, and Forfeitures Division.

8. Temporary Seized Property Storage (Min NSF 1000)

The temporary seized property storage is located adjacent to the seizure processing area. This room shall comply with the current edition of the CBP SPPH and DEA regulations contained at 21 CFR §§ 1301.72-1301.76. The temporary seizure vault shall have two (2) workstations/access controlled and CCTV. The temporary seized property storage is a hardened secure room within the restricted space used for the temporary storage (72 hours or less) of seized property.

9. Personal Protective Equipment (PPE) Storage (Min. NSF 150)

Secured storage room for personal protective equipment and supplies. One room is required and must be provided. Personal Protective Equipment Storage is located in close proximity to the inspection area.

10. Tool Storage Room (Min. NSF 40)

The tool storage room is used by CBP officers within the secondary inspection area. The tool storage room does not have to be a separate enclosed space if there is adequate floor area in the secondary inspection area for this purpose. This room must have a lockable equipment cabinet and be located within the secondary inspection area.

**B. Operational Support Areas**

The CESO shall provide CBP with space necessary to support CBP's operations. CBP requires operational support space, including storage space, lavatories, safe drinking water, and parking for government-owned vehicles (GOVs) and personally owned vehicles (POVs) for the CBP staff at the cargo inspection facility.

**The following operational support areas, at a minimum, must be included within the design of the CES facility in order to be considered under this solicitation.**

1. CBP Officer (CBPO) Work Area (Min. 64 NSF/per)

The CES facility must include a CBPO Work Area. The space must be large enough to accommodate, at a minimum, twenty-four (24) workstations. Each of these workstations must be a minimum of 64 sq. ft. in size and include necessary data terminal and telephone hookups. This area should also include storage of CBP supplies and typical office equipment to photocopy, scan, print, assemble, and mail documents.

2. Supervisor Office (Min. 150 NSF/per)

The CES facility must have a minimum of four (4) supervisor offices. Each office must be a minimum of 150 sq. ft. in size. The CBP Supervisor manages the day-to-day activities and performance of CBPOs. The supervisor offices must be located adjacent to the CBP Officer Work Area.

3. CBP Site and Parking Areas (Min. 26 parking spaces)

The CESO must provide a minimum of twenty-four (24) dedicated CBP secure parking spaces for POVs/GOVs/Visitors and two (2) secure enclosed parking areas for GOVs. Secure enclosed parking areas should be accessible via a minimum 16-foot-high and 15-foot-wide entry point. These parking spaces will be for the exclusive use of CBP employees. All CBP parking areas must be secure and segregated from public parking areas. All CBP parking areas must be within close proximity to CES facility and accessible to CBP employees on a 7-day, 24-hour basis. These secure parking areas must be equipped with access control device approved by local CBP. Parking areas must be subject to security controls (i.e., within sight of the gatehouse, viewed by Closed Circuit TV, roving guard patrol, etc.). All CBP parking areas must allow officers to walk from parking areas to the CES facility without travelling through unsecured, public areas. CBP parking areas and the walkway to the CES facility must be well-lit to ensure officer safety. Remote or off-site parking that requires CBP officers to use shuttle transportation is unacceptable.

4. Local Area Network (LAN)/Telecommunications Room (Min. 180 NSF)

The LAN room is a secure space that accommodates all DHS/CBP secure LAN equipment & all facility system equipment connected to DHS/CBP secure LAN. The LAN room combines the voice, data & other systems into one area within the facility. Co-location of non-DHS/CBP IT equipment is not permitted. Within the LAN room, racks will be installed & IT equipment enclosed in lockable cabinets. The LAN room will have camera coverage so that there are no blind spots. Dedicated HVAC controls are required within the LAN room to regulate the temperature and humidity levels in this room. This room shall be constructed in compliance with current DHS/CBP security standards relating to the construction of a strong room.

*More detailed specifications are included in Attachment 2: Centralized Examination Station Data Processing and Telecommunication Requirements. Additional information and agency policies will be provided during the application review and tentative selection processes.*

5. Supply/Storage Room (Min. 100 NSF)

The Supply/Storage Room is required for the storage of CBP supplies and other miscellaneous items required for daily CBP operations. This space is located within the CBP operational support officer work area.

6. Document Handling Room (Min. 100 NSF)

The Document Handling Room may be combined with other office areas (i.e., Officer Work Area, or Staff Support Area). It is adjacent to the CBPO work area. This room houses typical office equipment to photocopy, scan, print, assemble, and mail documents. Document handling is also used to store supplies and miscellaneous equipment. In smaller cargo inspection facilities, this room may be collocated within an expanded officer work area.

### **C. Staff Support Areas**

The CESO shall provide CBP with basic facilities to support CBP personnel in their duties. The CES facility must include, at a minimum, the following space allocations:

1. CBP Staff Break Room (Min. NSF 240)

The Staff Break Room provides all CBP employees an area to prepare and consume meals and to take smaller breaks. This room shall include a refrigerator with ice and water dispensing capability, microwave, sink, and space for built-in wall unit, and base cabinets for storage. The kitchen unit shall have adequate work surface to support individual tasks at meal preparation and an additional counter space with wall and base cabinets shall be used to support items such as toaster ovens, coffee makers, and drying racks.

2. Lactation Support Room (Min. 60 NSF)

The CES facility must include a Lactation Support Room that is provided for CBP employees who are nursing mothers. It must be a *minimum* of 60 sq. ft. in size. The room should be

located in close proximity to the CBP staff break room and shall not be co-located within a restroom. This space may be dual use; however, it must include a door that can be secured from the inside in order to ensure privacy. This space must conform to agency guidelines. Additional information will be provided during the application review and tentative selection process.

3. *Male and Female Locker Rooms (Min. NSF Varies)*

The CES facility must contain separate CBP only, male, and female locker rooms. Each locker room shall include showers, lockers, and toilets. Each locker room must be equipped with a minimum of twenty-six (26) lockers. The entry to the locker rooms shall be located within the CBP- designated workspace and in close proximity to the main staff entry point to the CES facility.

4. *Male and Female Restrooms (Min. 60 NSF)*

Each building within the CES facility must be equipped with separate CBP only, male, and female restrooms. Each restroom must be a minimum of 60 sq. ft. in size. Restrooms shall be strategically placed throughout the CES facility to provide convenient access and promote operational efficiency.

If CES facility design consists of a single building and only one set of CBP restrooms is being provided, these must be located adjacent to or combined with the CBP male and female locker rooms described above.

5. *Conference Room (Min.NSF varies)*

The conference room- muster/training room is used to conduct internal meetings, officer musters, and meetings with other federal agency members as necessary. The space shall have audio and video capabilities. It is located adjacent to the other work areas and support spaces.

## **D. Building Support Areas**

CES facilities require typical building systems to operate efficiently and support CBP operations.

***The following support systems are required in the design of CES facility to be considered under this solicitation.***

1. *Emergency Generator (Min. 200 NSF)*

The CES facility must include an emergency generator to provide back-up power when electric power from the local utility is interrupted. The CES facility must provide emergency back-up power for 150% of the present design loads. The CES facility must be able to be operational for an extended period of time when using the emergency generator. The emergency generator should be located outside in a separate enclosed shelter, if possible.

### III. Additional Services for Consideration

Additional consideration will be given to those applicants that exceed minimum standards and evaluation criteria. These services are not items that are required for the application process. Applicants that can provide one of more of these services should separately identify them in the application package. (this is from minimum requirements)

1. Provision of a stationary Pallet Rapiscan X-Ray (1,000 NSF requirement)
2. Provision of stationary Parcel Rapiscan X-Ray (500 NSF requirement)
3. Availability of CES labor outside normal operating hours (0800-2000)
4. Cargo space which exceeds minimum standards listed herein.
5. CBP office space which exceeds minimum standards listed herein.

### IV. Legal Compliance

The CES Operator must comply with all applicable federal, state, and local laws, ordinances and/or regulations in the design, maintenance, and operation of the CES facility. This includes, but is not limited to, the following federal legal requirements:

#### ***A. McNamara-O'Hara Service Contract Act (SCA) and Federal Acquisition Regulations (FAR)***

The CESO is responsible for complying with the SCA, 41 U.S.C. § 351, et. seq., where applicable, and the FAR 52.222-1 and 52.222-41 through 52.222-43. Additionally, every employer performing work covered under the (SCA) is required to post a notice of the compensation required (including, for service contracts, any applicable wage determination) in a prominent and accessible location at the worksite where it may be seen by all employees performing on the contract. See link to the SCA poster below:

English: <https://www.dol.gov/whd/regs/compliance/posters/sca.htm>;

Spanish: <https://www.dol.gov/whd/regs/compliance/posters/scaspan.htm>;

Wage detenninations: <https://beta.sam.gov/>

For further information on the SCA or the FAR, please contact the Department of Labor (DOL) and General Services Agency (GSA) directly. Also see attached Federal Acquisition Regulations (FAR).

#### ***B. National Environmental Policy Act (NEPA)***

The CES facility design shall comply with the NEPA and with all other relevant federal regulations and requirements. See 42 U.S.C. §§ 4321 et seq.

#### ***C. Occupational Safety and Health Act OSHA***

The CES Operator will ensure that the CES facility complies with applicable OSHA requirements.

#### ***D. Hazardous Materials***

The CES Operator shall comply with all statutes and regulations pertaining to the transportation and storage of hazardous materials, including but not limited to 40 C.F.R. Parts 263 and 265.

#### ***E. Immigration and Nationality Act (INA) & Executive Order 12989***

The CES Operator agrees to comply fully with the requirements of Executive Order 12989 dated February 13, 1996, as amended by Executive Order 13465 dated June 6, 2008, pertaining to the

unlawful employment of aliens and to the antidiscrimination requirements of the Immigration and Nationality Act and of any other applicable law. These requirements apply to all persons working, assigned, and/or detailed to the CES facility, including all casual and/or temporary labor utilized by the CES Operator.

***F. Equal Opportunity Employment***

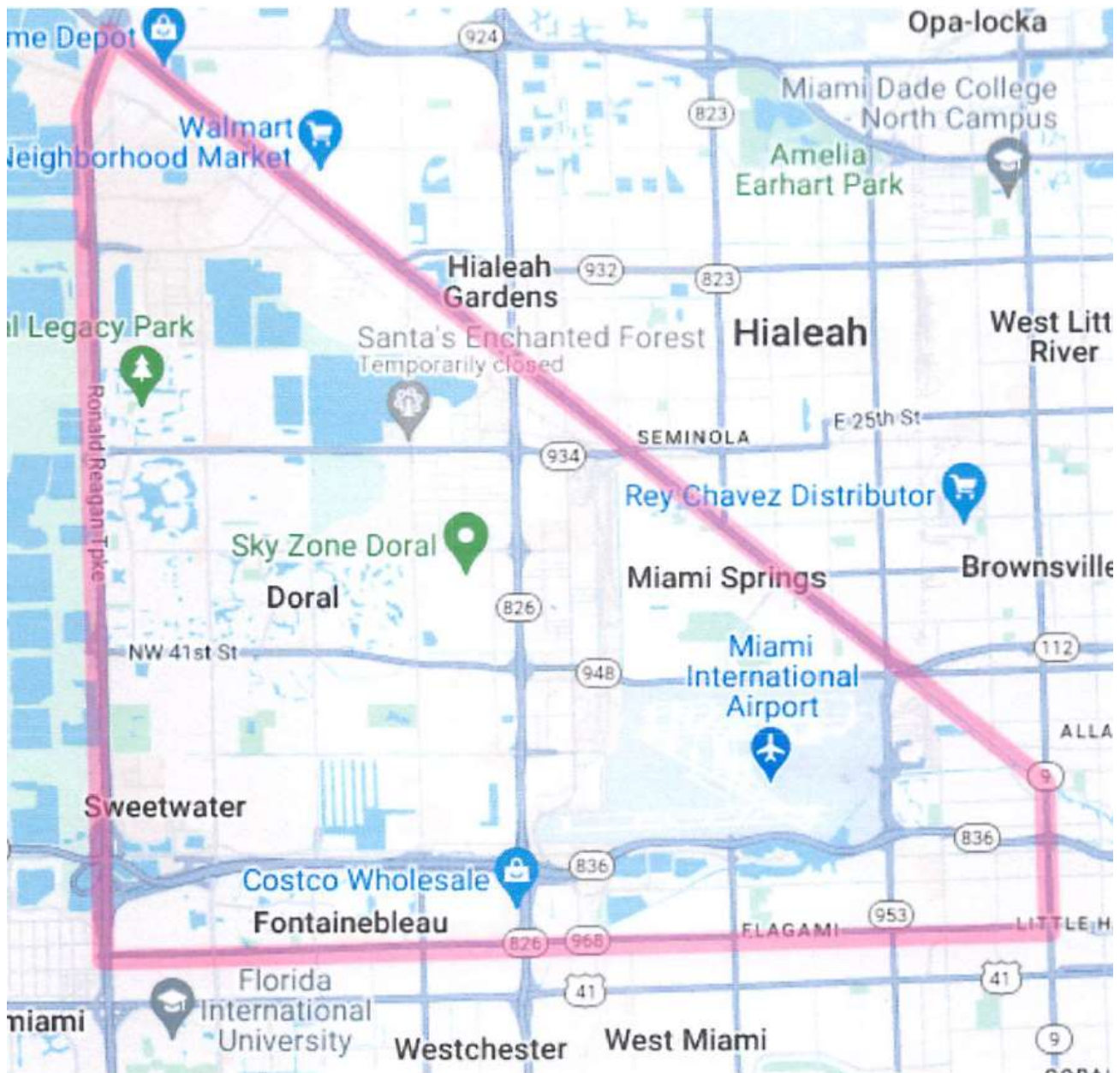
The CES Operator agrees to comply federal employment law and provide a work environment that is free of discriminatory harassment on the basis of race, color, religion, sex, sexual orientation, national origin, age, disability, parental status, genetic information, or any other basis protected by law.



MIAMI INTERNATIONAL AIRPORT  
CES MINIMUM FACILITY REQUIREMENTS

PAGE	DESCRIPTION	Min. NSF	QTY
<b>Inspection Area</b>			
5	Examination and Physical Inspection Area		1
5	Cargo Unloading Area (cargo bay doors)	<b>NIA</b>	<b>NIA</b>
5	Secondary Inspection Area	1000	1
5	Cargo Release Area	1000	1
6	Unreleased Cargo Holding Area	1000	1
6	Cargo Detention Storage	1000	1
6	Seizure Processing Area	1000	1
6	Temporary Seized Property Storage	1000	1
6	Personal Property Equipment Room	150	1
7	Tool Storage Room	40	1
<b>Operational Support Area</b>			
7	CBP Officer Work Area	64	24
7	Supervisor Office	150	4
7	CBP Site and Parking Spaces (POV, GOV, and Visitors)	<b>NIA</b>	26
8	Local Area Network (LAN) /Telecommunications Room	180	1
8	Supply/Storage Room	100	1
8	Document Handling Area	100	1
<b>Staff Support Area</b>			
8	CBP Staff Break Room	240	1
9	Lactation Support Room	60	1
9	Male & Female Locker Room CBP only	Varies	26
9	Male & Female Restrooms (3 stalls each) ~ CBP only	60/fixture	6
9	Conference Room	Varies	1
<b>Building Support Area</b>			
10	Emergency Generator	200	1





Boundaries:

- Northern Boundary: W Okeechobee Rd
- Southern Boundary: W Flagler St
- Eastern Boundary: NW 27<sup>th</sup> Ave
- Western Boundary: Florida's Turnpike

## APPENDIXB

### CENTRALIZED EXAMINATION STATION (CES) DATA PROCESSING AND TELECOMMUNICATIONS REQUIREMENTS

#### INTRODUCTION

This attachment provides information on the data processing and voice communication systems used to facilitate cargo processing and enforce U.S. Customs and Border Protection (CBP) requirements at Centralized Examination Stations (CES). Due to the dynamic nature of data and voice communications technology, the requirements in this attachment may be subject to change. CBP will make every effort to immediately inform Centralized Examination Station Operators (CESO) when such changes are contemplated. CBP understands CESO budgetary constraints; however, Federal information systems must be designed to sufficiently ensure system confidentiality, integrity, and availability in accordance with any and all applicable regulatory requirements.

It is important to note that ALL electronic systems, as defined in this agreement, while funded by the CESO must be ordered, procured, received, installed, possessed, and maintained by CBP. Site modifications may be required to meet DHS and CBP standards. The requirements described address typical installations. As each facility is unique and variances occur from site to site, **the CBP Office of Administration (OA) Project Manager (PM) will provide official requirements and specifications, as needed, including all specific CBP LAN/Telco room layout and equipment specifications for each facility.**

#### RESPONSIBILITIES

The CESO is responsible for funding all voice, data and network communications equipment and service costs (i.e. routers, switches, circuits, etc.). The CESO is responsible for all initial and recurring costs of computers, monitors, printers, scanners, phones, conference phones, etc. and any software refreshes or upgrades as deemed necessary by CBP. The CESO shall provide and install all systems infrastructure for both the data processing and voice communication systems. **CBP presence is required during all cable pulls.** This includes, but is not limited to, servers, computers, printers, scanners, duct banks between buildings, entrance raceways, backboards, punch down blocks, wire way, cabling, dedicated conduit, data and voice jacks throughout the facility, power panels, and receptacles.

#### COMPUTER SYSTEMS

CBP requires the installation of local area networks (LANs) to support commercial processing and administrative functions. Each network generally includes gateways, switches, file servers, personal computers, printers, computer peripherals, and data communications hardware and software. It is the responsibility of the CESO to provide all necessary infrastructures to support the chosen topology, including the following: electrical power; an uninterruptible power supply (UPS); all required cabling, dedicated conduit and dedicated data circuits; and proper HYAC to assure optimum equipment performance.

CBP mainframe systems operate secured software and network versions to retrieve and manage sensitive law enforcement information. Although costs for the equipment to configure CBP required law enforcement systems are CESO funding obligations, CBP shall control the procurement, receipt, management, and installations of all personal computers, peripherals, and LAN equipment. The tentatively selected CESO must sign an agreement to reimburse CBP any costs advanced to procure and install that equipment or transport any existing law enforcement equipment required by CBP, as necessary. All costs shall be the responsibility of the CESO.

Access is through a network of computer peripherals located in various operational areas of the processing facility. System hardware is located in the secure CBP LAN/Telco Room. For each facility, CBP will furnish specific room layouts and hardware requirements. Dedicated and secure data lines connect this room to the Wide Area Network (WAN). The equipment and configurations for the location will be determined by CBP workload requirements. It is essential that the CESO installs adequate cabling and conduit. The CESO shall also fund a dedicated data circuit, which includes installation, initial, and monthly/annual recurring costs to assure the proper operation of this system.

CBP may elect to conduct a site survey depending upon the complexity of the automated data processing (ADP) equipment at the location. CBP will review its findings with the CESO, such as the requirements for the ADP infrastructure, dedicated electrical requirements, layout of the equipment, and the installation schedule. CBP requires at least a 120-day lead-time to provide the equipment and dedicated data circuit at the facility after funds are received from the CESO. CBP will solely control the installation, maintenance, usage and troubleshooting of all ADP equipment related matters.

## **COMMERCIAL PROCESSING/ADMINISTRATIVE SUPPORT COMPUTER SYSTEM**

The Commercial Processing/Administrative Support Computer System is normally confined to the CBP office areas. The hardware is housed in the CBP LAN/Telco room. The installation of proper cabling is important in all offices. The installation of proper cabling and dedicated conduit is significant in open office configurations that need floor conduits for the preservation of CBP personnel safety. When desks and officer workstations are not located adjacent to a convenient wall surface the floor jacks/TED boxes must be located to avoid CBP personnel's need to walk-on top of the boxes. The CBP wiring standard for each desk or workstation location is one (1) voice drops, two (2) data drop, and two (2) 120 VAC, 6-8 AMP quadraplex electrical outlet. In addition, the CESO must provide one (1) data drop and one (1) 120 VAC duplex electrical outlet for each LAN/host addressable printer, and one (1) Voice drops and two (2) 120 VAC duplex electrical outlet for each FAX machine. Private offices should have a minimum of two (2) data drops and one (1) voice drop and to permit alternate furniture placement. The CBP OA PM will assist the CESO in planning to support both the commercial processing and administrative computer systems so that sufficient cabling and adequate power is provided to the LAN Topology.

## **LOCAL AREA NETWORK TOPOLOGY**

Ethernet LANs are supported at CBP locations. The current CBP LAN standard is Gigabit Ethernet (1000BASE-T). The CBP LAN/Voice cabling standard is (UTP) Category-6A cabling. The final decision regarding cabling topology will be provided to the CESO by CBP OA PM during facility planning. These configurations, as previously noted, facilitate cargo processing and support office automation. The users on the LAN will have access to the CBP mainframe applications, multiple databases, development tools, word processing, automated spreadsheets, and other applications. The data and phone lines needed by personnel using these networks will be obtained by the CESO who will provide the appropriate wiring and necessary conduit to support the current and future requirements of this application.

## **VOICE COMMUNICATIONS SYSTEMS**

The CESO shall be responsible for the procurement, installation, and maintenance of a voice communication system which will include a voicemail system. The CESO shall coordinate with the CBP OA PM to determine the required feature/functions and quantity of telephone sets in support of the CBP operation. The CESO shall order the necessary voice services (TI (voice), POTs, etc.). The CESO shall be responsible for the monthly recurring carrier services costs of such services.

Telephone services shall be configured based on CBP requirements (fax lines, modem lines, direct dial numbers, etc.) in support of the overall CBP operation. The CESO shall coordinate with the CBP OA PM to determine the proper quantity of telephone services to be ordered. All designs, specifications and planning are to be approved by CBP prior to any orders. CBP shall provide final decisions regarding CBP facility needs as they relate to these specifications.

## **CABLING REQUIREMENTS**

Typical LAN/Telco rooms layouts are based on the equipment housed in the room and can vary from facility to facility. CBP prefers to use AMP ACO products for its data and voice terminations but will accept AT&T premise distribution products or equal as a suitable alternative. CBP will make all final decisions regarding cabling specifications and system design. Conduit between buildings is the responsibility of the CESO.

## **INSTALLATION REQUIREMENTS**

The following are the installation requirements:

- Cabling for wireless access points should be balanced twisted-pair, category 6A or higher, as specified in ANSI/TIA-568-C.2, or two-fiber single-mode optical fiber cable, OM3 or higher, as specified in ANSI/TIA-568-C.3
- UTP Category-6A cable shall be terminated with appropriate Category-6A data/voice jacks and patch panels. The present wiring standard is AT&T 568B with female RJ45 interfaces on both ends. All wire terminations, in the proper computer rooms, shall be on AMP's rack mountable ACO patch panels (PIN 556701-2) using ACO kits (PIN 555600-1).

- Data inserts for the kits shall be female RJ45 Category-6A rated (AMP *PIN* 557258-1). The equivalent AT&T parts numbers are 1100CAT6-24, 48, 64, or 96 for patch panels and MIO0CH-112, 8-pos., 8-conductor, EIA/TIA T568B inserts for workstations. All terminations shall meet the TSB-40 specifications.
- Terminate cable with appropriate Category 6A, 568B parts. All wiring terminations in the LAN/Telco room(s) shall be on rack mountable patch panels. Kit data inserts shall be female RJ45 Category 6A, 568B rated. All terminations must meet the TSB-40 specification.
- All cabling shall be correctly labeled at both ends and certified tested to conform to industry accepted four-way testing of cable runs.
- All cables shall be home-run from a central, convenient termination point, normally the secure CBP LAN/Telco rooms located in the administrative office complex. This room has special construction standards to prevent unauthorized access or accidental tampering with the cabling or LAN/Telco equipment. OIT will furnish specific LAN/Telco room construction specifications for each facility.
- The length of UTP or IBM cable from the central termination point to the workstation cannot exceed 300 linear feet, including patch cables. In cases where this limitation has been exceeded, fiber optic cable {specifications to be determined by distance from MDF) shall be run to extend the limitation. The CESO must provide the space used to house remote equipment and furnish and install the fiber optic cable. When used, fiber optic cable shall be terminated with LC style connectors and should be rated and tested to transmit at 10 gigabits/second.
- CBP shall approve all cabling specifications and parts during facility planning. Dimensions of computer rooms will be based on the number of users at site and equipment housed within the room.
- It is the CESO's responsibility to assure that there is sufficient cabling and secure conduit provided to support the phone and data DEMARK room to the LAN/Telco room(s), and between the LAN/Telco room(s) and the associated closets. OIT will make final decisions regarding facility needs as they relate to these specifications.
- All CBP conduits shall be dedicated for CBP and shall be sized to accommodate a projected 25% growth.

## **POWER REQUIREMENTS**

The CESO shall provide a back-up generator and Uninterruptible Power Supply (UPS) to provide transitional power coverage to support the initial power load of all LAN equipment and telecommunications systems in the CBP computer/ communications rooms. The CES facility must provide emergency back-up power for 150% of the present design load.

## **LAN/TELCO ROOMS**

CBP data processing and telecommunications equipment shall be co-located in the LAN/Telco room. The LAN/Telco room shall have dedicated power panel feed from the facility UPS/Generator. Dedicated 120-volt AC and 208-volt AC power shall be run from the LAN/Telco room power panel as per specifics from OIT. The number of outlets required, and circuit ratings will depend on the equipment that will be installed in the room. CBP will furnish their respective requirements for the LAN/Telco rooms during project planning. If the worksite has a second floor, then a second LAN closet or Intermediate Distribution Frame (IDF) is required on the second floor. Additional IDF(s) may be required at larger facilities. Each IDF shall be located in close proximity of the end user. The cabling distance between IDF and end user shall be no longer than 300 ft.

## **FACILITY REQUIREMENTS**

The CESO is responsible for either the funding or the purchase of the following listed equipment, cabling, monthly recurring costs (MRC), and out of year costs (OYC), as discussed in this attachment, at no cost to the Government. For equipment, installation and MRC costs identified below, which requires CBP to procure, receive, install, and maintain; but is funded by the CESO, the CES operator will be required to sign a memorandum of agreement to reimburse CBP for the procured items necessary for the operation of the CES.

### **Cabling:**

- CAT 6 Data and Voice Cabling
- CAT 6 Data and Voice Jacks
- Data and Voice Racks
- Data and Voice Patch Panels
- Fiber and copper patch cords

### **IT Data Equipment:**

- UPS(s)
- Network Switches
- Server
- Wireless Access Point(s) (WAP)
- Wireless Controllers
- Special wiring provisions
- KYM Switch
- Printers, both network/shared and local/personal
- Scanners

- Tablets
- Two (2) Riverbed appliances
- Computers' amount of memory (RAM) will be at least 32 gigabytes.
- Provide replacement parts for and/or replacements for faulty equipment.
- Provide upgrades to equipment every two years or as CBP deems necessary.

**IT Data Circuits:**

- Two (2) 100 Megabit vendor-diverse Ethernet circuits, running simultaneously to serve as backup to the other in case of failure of one circuit.
- These two (2) circuits will include two (2) network routers.
- Associated with these two (2) 100-megabit Ethernet circuits and two (2) routers are non-recurring costs (NRC) and monthly recurring costs (MRC).
- Provide upgrades to network circuits as CBP deems necessary.

**IT Voice Communications:**

- Digital Voice Trunk/Circuit with associated NRC and MRC
- Digital Phones
- Phone System with Internal Group Voice Mail capability and accessibility

**APPENDIXC**

**CENTRALIZED EXAMINATION STATION APPLICATION**

**CES APPLICANT:** .....  
**ADDRESS:** .....  
**E-MAIL ADDRESS:** .....  
**PHONE:** .....  
**FAX:** .....  
**CONTACT PERSON:** .....

Applicants are advised that all materials submitted in the application process become the property of the U.S. Customs and Border Protection (CBP). All information included in the Centralized Examination Station (CES) application will be subject to review, investigation, and verification. Application information will be utilized as a decision support mechanism for the evaluation and selection process. Incomplete applications may not be considered.

- Applicants are required to complete the following application in-full. Any questions that are not applicable must be marked *N/A*. The number zero should be entered into all appropriate blanks. Applicant may provide additional information and/or attachments.
- The name and address of the facility to be operated as the CES, and the name and telephone number of an individual to be contacted for further information.
- An identification of the applicant, and type of business entity:
  - Corporations must provide a certified extract of the articles of incorporation.
  - Partnerships must provide a signed copy of the partnership agreement.
  - Sole Proprietors must identify themselves as such.
  - Fictitious names- if the applicant is conducting business under a fictitious name, state and provide a copy of the fictitious name filing.
- A copy of their custodial bond, or a completed CBP Form 301 (minimum bond amount of \$150,000).
- A complete proposed fee schedule comparable to existing fees charged for similar services in the area to be serviced by the CES as is required by 10 CFR 118.11(c).
- A current list of all persons who have direct or indirect financial interest in the proposed CES operation, all officers and managing officials of the proposed facility. The list must provide the following information name, position, home address, date of birth, social security number, place of birth, and Alien Registration Number or place and date of naturalization. Providing social security numbers is voluntary; however, failure to provide the numbers may hinder the investigation process.



## CENTRALIZED EXAMINATION STATION APPLICATION

**CES Applicant Name:** \_\_\_\_\_

- In addition, applicant must provide a detailed explanation of the means and methods by which this information will be provided to CBP prior to the employment of any individual who will be coming in contact with and/or handling any merchandise under CBP control and/or will be allowed access to any CBP restricted areas within the CES.
- A current list of all employees involved in the CES operation setting forth their names, dates of birth and social security numbers. Providing social security numbers is voluntary; however, failure to provide the numbers may hinder the investigation process.
- In addition, applicant must provide a detailed explanation of the means and methods by which this information will be provided to CBP prior to the employment of any individual who will be coming in contact with and/or handling any merchandise under CBP control and/or will be allowed access to any CBP restricted areas within the CES.
- Applicants are requested to provide an Authorization for Release of Information Form (Appendix D).
- The submission of this release is voluntary; however, failure to provide the "Authorization" may hinder the investigation process.
- If requested, fingerprints of all persons who have direct or indirect financial interest in the proposed CES operation, all officers and managing officials of the proposed facility.

**Applicants should consider only space/facilities solely devoted to the CES operation when answering the questions below.**

1. Does the application package contain the name and address of the facility to be operated as the CES, the names of all principals or corporate officers, persons having direct or indirect financial interest in the proposed CES operation, and the name and telephone number of an individual to be contacted for further information?

YES  NO

2. Does the application package contain a list of all employees involved in the CES operation setting forth their names, dates of birth, and social security numbers? (Providing social security numbers is voluntary; however, failure to provide the numbers may hinder the investigation process)

YES  NO

**CENTRALIZED EXAMINATION STATION APPLICATION**

**CES Applicant Name:** \_\_\_\_\_

3 Does the application package contain a description of the accessibility of the CES within the Port or other location, and a floor plan of the facility actually dedicated to the CES operation showing bay doors, office space, exterior features, security features, and staging and workspace?

YES  NO

4. Is a proposed fee schedule with comparable charges included clearly indicating what the applicant proposes to charge for each type of service?

YES  NO

5. Does the application package include a copy of an approved custodial bond on CBP Form 301 in the amount of \$150,000 or more?

YES  NO

6. Is the applicant fully aware of the requirements of Executive Order 12989, dated February 13, 1996, particularly with Sections 1(a) and (b), which pertain to the lawful employment of aliens and to the anti-discrimination requirements of the Immigration and Nationality Act and of any other applicable laws?

YES  NO

**LOCATION**

1. Distance from Miami International Airport \_\_\_ miles

2. Distance from nearest direct ocean discharge: \_\_\_ miles

3. Distance from nearest major highway: \_\_\_ miles

4. Distance from nearest international airport: \_\_\_ miles

5. Please identify which of the following types of cargo the facility is capable of servicing.

a. Direct Air Cargo only  YES  NO

b. Indirect Cargo (truck or rail, etc.) only  YES  NO

c. Both Direct and Indirect Cargo  YES  NO

## CENTRALIZED EXAMINATION STATION APPLICATION

CES Applicant Name: \_\_\_\_\_

### FACILITY

1. Indicate # years of experience in international cargo \_\_\_\_ years
2. Facility Ownership
  - a. Does CES applicant own the proposed CES facility?  YES  NO
  - b. Does CES applicant lease the proposed CES facility?  YES  NO
    1. If facility is leased, please provide comments as to lease arrangements with owner and state when current lease will expire.  
\_\_\_\_\_
    2. Is lease extendable?  YES  NO
  - c. If no facility is currently leased, indicate when lease will be signed and the terms of the anticipated lease agreement.

### FACILITY FEATURES

1. Is there a physical barrier separation between CES and other cargo operations?  YES  NO
2. Provide the CES facility dimensions:
  - a. Entire CES facility including CBP office: \_\_\_\_ sq ft
  - b. CBP employee/supervisor office(s): \_\_\_\_ sq ft
  - c. CES warehouse/cargo area for CBP examinations: \_\_\_\_ sq ft
  - d. Cargo stripping area: \_\_\_\_ sq ft
  - e. Average space directly behind cargo bay doors: \_\_\_\_ sq ft
  - f. High security storage area for CBP detained goods: \_\_\_\_ sq ft
  - g. Storage area where CBP equipment can be stored and locked safely? \_\_\_\_ sq ft
3. Is there sufficient space to safely maneuver and position cargo at all bay doors?  YES  NO
  - a. Provide clearance space available to maneuver and position cargo at all bay doors:  
\_\_\_\_\_ feet
  - b. Is there a designated area for trucks awaiting service with clearly marked lanes and which will not hinder internal traffic?  YES  NO
  - c. Do you have an existing operation & facility capable of handling large volumes of cargo and holding cargo intact?  YES  NO

**CENTRALIZED EXAMINATION STATION APPLICATION**

**CES Applicant Name:** \_\_\_\_\_

- Does your existing operation have the ability to accommodate various types of FCL and LCL freight.  **YES**  **NO**
- Perishable cargo  **YES**  **NO**
- Hanging garment containers  **YES**  **NO**
- Scrap Metal (including loose loads)  **YES**  **NO**

- 4. Does each cargo door have enough floor queuing space adjacent to it to allow complete de-vanning of all of the cargo within each container and to have sufficient space to allow for inspection of said cargo?  **YES**  **NO**
- 5. Number of dual electrical outlets at each container position: \_\_\_\_ outlets
- 6. Number of dual electrical outlets per square foot inside facility: \_\_\_\_ outlets
- 7. Are there direction-adjustable lights at each container position?  **YES**  **NO**
- 8. Is there an area for a fixed-site pallet X-ray system (this **MUST** be a heated area with 220 electrical service)?  **YES**  **NO**
- 9. Does the facility meet the physical standards for CBP bonded facilities as outlined in OPR Security Handbook, HB 1400-02C Physical Security Policies and Procedures, 2020 and will it meet minimum CBP physical security requirements?  **YES**  **NO**
- 10. Is there security protection on all exterior doors and windows?  **YES**  **NO**
- 11. Is there fencing to enclose the areas around cargo storage structures, support buildings and exterior stored cargo?  **YES**  **NO**
- 12. Are the numbers of gates kept to the minimum required for access?  **YES**  **NO**
- 13. Is there a manned gatehouse during business hours?  **YES**  **NO**
- 14. Is access to employee parking subject to security controls?  **YES**  **NO**

## CENTRALIZED EXAMINATION STATION APPLICATION

**CES Applicant Name:** \_\_\_\_\_

16. Provide the total number of parking spaces for CBP vehicles:  
(GOV=government vehicle/POV=personally owned vehicle)

GOV: \_\_\_ spaces

POV: \_\_\_ spaces

17. Is there lighting provided for:

- a. Entrances, exits and around gatehouses?  YES  NO
- b. Outside cargo and holding areas?  YES  NO
- c. Along fence lines?  YES  NO
- d. Parking areas?  YES  NO

18. Are locking devices used on buildings, gates and equipment to protect against unauthorized entry?

YES  NO

19. Are there security features for the CES (*identify features provided, if any*)

- a. Central alarm  YES  NO
- b. Separate alarm for CBP offices  YES  NO
- c. Separate alarm for CBP offices with CBP-only access code  YES  NO
- d. Closed circuit TV with recording capabilities  YES  NO
- e. List additional security features, if any:

### FACILITY EQUIPMENT

1. Provide responses to the following:

- a. Number of forklifts (under 5000 lbs.) \_\_\_
- b. Number of forklifts (5000-10000 lbs.) \_\_\_
- c. Number of forklifts (over 10000 lbs.) \_\_\_

2. Indicate whether you have the following additional equipment:

- a. Rug Poles  YES  NO
- b. Barrel clamps  YES  NO
- c. Forklift scale  YES  NO
- d. Floor scale (up to 5,000 pounds)  YES  NO
- e. Equipment to handle vehicles/boats  YES  NO
- f. Squeeze clamps  YES  NO
- g. Skid/pallet pullers  YES  NO
- h. Additional pallets for stacking  YES  NO
- i. Pallet jacks  YES  NO
- j. Banding equipment  YES  NO
- k. Garment hangers  YES  NO

## CENTRALIZED EXAMINATION STATION APPLICATION

**CES Applicant Name:** \_\_\_\_\_

- I. Other bulk loading or specialized equipment  YES  NO  
If yes, provide details:

### LABOR

1. Is labor available during the hours of 8:00am-8:00pm Monday through Friday?  YES  NO
2. How much time is required to order labor to CES during the 0800-2000, Monday through Friday working hours? Min. Hrs.
3. Is labor available before and after normal work hours provided 24-hour notice given?  YES  NO
4. Is labor force permanent employees?  YES  NO
5. Is labor force part-time employees?  YES  NO
6. Will labor force be comprised of any day laborers?  YES  NO
7. Indicate the type of custodial services provided by CES:
  - a. Contracted service  YES  NO  
If YES, what is the length of the contract?
  - b. Scheduled service  YES  NO
8. What will be the cleaning schedule of the CBP offices?  
(Please indicate frequency of cleaning per business week.) \_\_\_\_\_
9. Indicate safety features provided by CES
  - a. HAZMAT coordinator  YES  NO
  - b. HAZMAT Plan (SOP)  YES  NO
  - c. Certified HAZMAT handlers  YES  NO
  - d. First-aid station  YES  NO
  - e. Eye wash station  YES  NO
  - f. Container/Neheicle Wash Site  YES  NO
1. How much basic dedicated CBP office space is provided? \_\_\_\_\_ sq ft
2. How much space, if any, is provided for separate private offices? \_\_\_\_\_ 150 sq ft min
3. Please identify the following items that will be provided:

**CENTRALIZED EXAMINATION STATION APPLICATION**

**CES Applicant Name:** .....

- a. Locker room (minimum 150 sq ft)  YES  NO
- b. Lockers (minimum 12)  YES  NO
- c. Showers (I-male, I-female)  YES  NO
- d. Swing/Lunch room (min 250 sq ft)  YES  NO
- e. Office furniture, desks, etc. (2 Sups/8 CBPOs/1 Analyst)  YES  NO
- g. Separate, secure communications closet for CBP LAN/ Telephone System (200 square feet minimum)  YES  NO
- h. Copy Machine  YES  NO
- i. Facsimile Machine  YES  NO
- j. Telephone System/Equipment  YES  NO
- k. LAN Services, Computers and Printer(s) (CBP orders)  YES  NO
- l. All ADP and Telecommunications Costs (Initial and Recurring)  YES  NO
- m. Lactation Room  YES  NO
- n. CBP Identity, Statutory, Operational Signage  YES  NO
- o. 150% Backup Power  YES  NO
- p. Gun Locker Room  YES  NO
- q. Audio-Video, Commercial Satellite, Antenna Equipment  YES  NO
- r. CBP Only Breakroom  YES  NO
- s. Enclosed Secure GOV and Secure POV Parking  YES  NO

4. Are potable water and sanitary facilities for male & female lavatories adjacent to CBP Office and designated for "CBP USE ONLY"?  YES  NO

5. Indicate the number of male and female lavatories with lockers adjacent to CBP Office:  
\_\_\_\_\_ male  
\_\_\_\_\_ female

6 Is Enclosed-Secured parking available to store GOVs, a mobile x-ray van?  YES  NO

**CENTRALIZED EXAMINATION STATION APPLICATION**

**CES Applicant Name:** \_\_\_\_\_

**OTHER**

Provide any additional information related to CES facility or logistics including, but not limited to, requests for time to conform CES facility to CBP requirements (attach additional sheets if necessary)

I certify that the information provided in this **Application** and **attachments** are true and accurate.

---

**Signature**

**Date**



**APPENDIXD**  
**Authorization for Release of Information**

( ) New Hire Date: \_\_\_ / \_\_\_ / \_\_\_

( ) Termination Date: \_\_\_ / \_\_\_ / \_\_\_

Employee Name: \_\_\_\_\_  
(Please Print)

In accordance with the provisions of the Privacy Act of 1974, 5USC552a, and the Department of the Treasury Regulations promulgated to implement the Act, 31 C.F.R. Part 1; I authorize Customs and Border Protection (CBP), ("The Agency") to disclose any record or information pertaining to me contained in the Agency's files, including such records which may be contained in a system of records, as that term is defined under 5 U.S.C. 552(a)(5), by any means or any communication to:

---

(Please print name of company)

Provided that the Agency deems such disclosure relevant to the enforcement of any federal law and/or regulation or the grant, denial, suspension or revocation of any bonded status or license or authority to operate. The authority to disclose information, as provided herein, shall constitute a release by me of the United States of America, the Department of Homeland Security, the Agency, and/or any employee thereof from any liability for damages alleged to have been caused directly or indirectly, as a result of the Agency's acquisition, maintenance and/or disclosure of such information, or any subsequent disclosure thereof by any individual or entity.

I understand that my execution of this authorization for disclosure of information is not required by law or regulation, and I declare that such execution is my voluntary act. A copy of this executed document shall be considered to be equal force and effect as the original executed document.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Employee's Signature)

Please print the following information:

Address: \_\_\_\_\_

\_\_\_\_\_  
(Please include complete street, city, state and zip code)

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Place of Birth: \_\_\_\_\_

## APPENDIX E

February 1, 2016

### PHYSICAL SECURITY STANDARDS FOR U.S. CUSTOMS & BORDER PROTECTION (CBP) BONDED FACILITIES

#### OBJECTIVE

To provide bonded facility proprietors with guidelines to ensure security of cargo handling facilities and cargos from point of receipt to shipping. It is incumbent upon bonded facility proprietors to develop and implement a sound security plan to demonstrate compliance with security criteria as identified by CBP. Bonded facilities as defined in this guideline are facilities that are used to store and stage international cargo, both bonded and non-bonded cargo, and domestic cargo for export. These facilities include both warehouse and Foreign Trade Zone operations.

#### APPLICABILITY

A written security plan should apply to all facility employees, visitors, vendors and outside earners.

#### Security Planning and Management

Bonded facility proprietors will establish a security management team with a designated leader accountable to a senior executive. Bonded facility proprietors will develop a security plan and shall review not less than annually all procedures to verify required actions are implemented and effective. Security plans will be kept in a secure location and shared on a "need-to-know" basis with appropriate regulatory officials, employees and customers. Bonded facility proprietors will annually update a list of local, state and federal emergency contacts, local CBP contacts, and local public health official contacts.

#### THE SECURITY PLAN

Cargo handling and storage facilities must have physical barriers and deterrents that guard against unauthorized access. Bonded facility proprietors should incorporate physical security criteria throughout their facility as applicable.

#### Alarm Systems and/or Video Surveillance Cameras

Alarm systems and video surveillance cameras should be utilized to monitor premises and prevent unauthorized access to cargo handling and storage areas. Retrieval of recorded activities should be maintained for a reasonable period.

## **Building Structure**

Buildings must be constructed of materials that resist unlawful entry and protect from outside intrusion. The integrity of structures must be maintained by periodic inspection and repair.

## **Facility Protection Systems**

Facility protection systems, such as fire suppression and alarm systems, hazardous gas detection systems, and air scrubbers' should be secreted and monitored for unauthorized tampering or shut-down by an approved remote alarm company. The integrity of such monitored alarms should be periodically tested.

## **Yard Security**

Perimeter fencing should enclose the area around cargo handling and storage facilities. In the event there is no perimeter fencing, procedural practices to secure the yard from unlawful entry and protection from outside intrusion must be documented.

## **Gates and Gate Houses**

Where there are gates through which vehicles and/or personnel enter or exit, they must be manned and/or monitored. The number of gates should be kept to the minimum necessary for proper access and safety.

## **Lighting**

Adequate lighting must be provided inside and outside the facility including the following areas: entrances and exits, cargo handling and storage area, fence lines and parking areas.

## **Locking Devices and Key Controls**

All external and internal windows, gates and fences must be secured with locking devices. Management or security personnel must control the issuance of all locks and keys.

## **Parking**

Private passenger vehicles should be prohibited from parking in or adjacent to cargo handling and storage areas. Visitor parking should be separated from employee and container parking.

## **Manifesting Procedures**

To help ensure the integrity of cargo, procedures must be in place to ensure that information received from business partners is reported accurately and timely.

## **Physical Access Controls**

Access controls prevent unauthorized entry to a facility, maintain control of employees and visitors, and protect company assets. Access controls must include the positive

identification of all employees, visitors and vendors at all points of entry. Bonded facility proprietors must establish secured waiting areas where drivers can be identified and allowed limited access for confirmed pickups and deliveries.

### **Shipping and Receiving**

Arriving cargo must be reconciled against information on the cargo manifest. The cargo must be accurately described, and the weights, labels, marks and piece count indicated and verified. Cargo must be verified against purchase or delivery orders. Drivers delivering or receiving cargo must be positively identified before cargo is received or released.

### **Conveyance Security**

The following elements outline a sound conveyance security process:

Procedures for the inspection of conveyance (trailers and containers) prior to loading with the awareness that no hidden compartments could conceal contraband;

Procedures for the inspection of vehicles of conveyance prior to loading to ensure that unmanifested materials are not shipped;

A process is in place for the refusal of vehicles of conveyance if they do not meet internal guidelines;

A process is in place to prevent unauthorized persons from gaining access to empty conveyance vehicles on the site;

A process is in place to prevent unauthorized persons from gaining access to conveyance vehicles which have been load and are ready for removal from the site;

A process is in place for approving and certifying transporting materials;

A process is in place for securing that only certified carriers have access to material from the site.

### **Employees <Personnel>**

#### **Security Training and Threat Awareness**

A threat awareness program should be established and maintained by security personnel to recognize and foster awareness of the threat posed by terrorists at each point in the supply chain. Employees must be made aware of the procedures the company has in place to address a situation and how to report it. Additional training should be provided to employees in the shipping and receiving areas, as well as those receiving and opening

mail. Additionally, specific training should be offered to assist employees in maintaining cargo integrity, recognizing internal conspiracies, and protecting access controls.

### **Personnel Security/Backeround checks/investigations**

Process must be in place to screen prospective employees and to periodically check current employees. An employee identification system must be in place for positive identification and access control purposes. Employees should only be given access to those secure areas needed for the performance of their duties. Company management or security personnel must adequately control the issuance and remove of employees, visitor and vendor identification badges. Bonded facility proprietors must establish procedures for the issuance, removing and changing access devices (e.g., keys, key cards, etc.) and this must be documented.

### **Pre-Employment Verification**

Application information such as employment history and references must be verified prior to employment. To the extent authorized by law, bonded facility proprietors will conduct employment screening, background checks and thorough interviewing prior to hiring.

### **Personnel Termination Procedures**

Bonded facility proprietors must have procedures in place to remove identification, facility and system access for terminated employees. This should be documented.

### **Education and Awareness Trainine**

The bonded facility proprietor should provide employees with a procedures manual that covers all processes supporting the operation of the warehouse facility.

The bonded facility proprietor should provide periodic internal training covering bonded facility activities including the importance of maintaining cargo integrity.

## **ACCESS CONTROLS**

The Security Plan provides a process to positively identify and control the movement of all persons on site. Everyone on site is required to have and display a security badge certifying their approval to be on site.

### **Visitors**

A process implemented to register and account for all non-company employees onto the Site (sign in/sign out procedures). Visitors must possess photo identification for Documentation purposes upon arrival. Visitors will visibly display temporary identification.

### **Deliveries OncJudine; mail}**

Proper vendor identification (ID) and/or photo identification must be presented for documentation purposes upon arrival by all vendors. Arriving packages and mail must be periodically screened before being disseminated.

### **Challengue and Removine; Unauthorized Persons**

Procedures must be in place to identify, challenge and address unauthorized and/or unidentified persons.

## **INFORMATION TECHNOLOGY SECURITY**

### **Password Protection**

Automated systems must use individually assigned accounts that require a periodic change of password, IT security policies, procedures and standards must be in place and provided to employees in the form of training.

### **Accountability**

A system must be in place to identify the abuses of IT including improper access, tampering or the altering of business data. All system violators must be subject to appropriate disciplinary actions for abuse.

## **CDP EVALUATION**

A process is in place to verify company legitimacy by confirming contact names, a U.S. mailing address for the company, references, and verification of phone numbers. Reasonable care should be taken to understand the type of cargo that is arriving at the bonded facilities.

# Federal Acquisition Regulation (FAR)

## Part 52 - Certain Solicitation Provisions and Contract Clauses of the FAR

Effective Date: 05/22/2024

### 52.222-1 Notice to the Government of Labor Disputes.

As prescribed in [22.103-S\(a\)](#), insert the following clause:

NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately give notice, including all relevant information, to the Contracting Officer.

(End of clause)

### 52.222-41 Service Contract Labor Standards.

As prescribed in [22.1006\(a\)](#), insert the following clause:

SERVICE CONTRACT LABOR STANDARDS (AUG 2018)

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

*Contractor*, when this clause is used in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Government Prime Contractor."

*Service employee* means any person engaged in the performance of this contract other than any person employed in a bona fide executive,

administrative, or professional capacity, as these terms are defined in Part 541 of Title 29, *Code of Federal Regulations*, as revised. It includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons.

(b) *Applicability.* This contract is subject to the following provisions and to all other applicable provisions of [41 U.S.C. chapter 67](#), Service Contract Labor Standards, and regulations of the Secretary of Labor (29 CFR Part 4). This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by [41 U.S.C. 6702](#), as interpreted in Subpart C of 29 CFR Part 4.

(c) Compensation.

(1) Each service employee employed in the performance of this contract by the Contractor, or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor, or authorized representative, as specified in any wage determination attached to this contract.

(2)

(i) If a wage determination is attached to this contract, the Contractor shall classify any class of service employee which is not listed therein and which is to be employed under the contract (*i.e.*, the work to be performed is not performed by any classification listed in the wage determination) so as to provide a reasonable relationship (*i.e.*, appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this paragraph (c).

(ii) This conforming procedure shall be initiated by the Contractor prior to the performance of contract work by the unlisted class of employee. The Contractor shall submit [Standard Form \(SF\) 1444](#), Request For Authorization of Additional Classification and Rate, to the Contracting Officer no later than 30 days after the unlisted class of employee performs any contract work. The Contracting Officer shall review the proposed classification and rate and promptly submit the completed [SF 1444](#) (which must include information regarding the agreement or disagreement of the employees' authorized representatives or the employees themselves together with the agency



recommendation), and all pertinent information to the Wage and Hour *Division*, U.S. Department of Labor. The Wage and Hour Division will approve, modify, or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the Contracting Officer within 30 days of receipt that additional time is necessary.

(iii) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the Contracting Officer who shall promptly notify the Contractor of the action taken. Each affected employee shall be furnished by the Contractor with a written copy of such determination, or it shall be posted as a part of the wage determination.

(iv)

(A) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.

(B) In the case of a contract modification, an exercise of an option, or extension of an existing contract, or in any other case where a Contractor succeeds a contract under which the classification in question was previously conformed pursuant to paragraph (c) of this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing (*i.e.*, adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the Contractor shall advise the Contracting Officer of the action taken but the other procedures in

subdivision (c)(2)(ii) of this clause need not be followed.

(C) No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(v) The wage rate and fringe benefits finally determined under this paragraph (c)(2) of this clause shall be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay the unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Service Contract Labor Standards statute and this contract.

(vi) Upon discovery of failure to comply with paragraph (c)(2) of this clause, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class, or classes of employees commenced contract work.

(3) *Adjustment of compensation.* If the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees under this contract shall be subject to adjustment after 1 year and not less often than once every 2 years, under wage determinations issued by the Wage and Hour Division.

(d) *Obligation to furnish fringe benefits.* The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined under paragraph (c)(2) of this clause by furnishing equivalent combinations of bona fide fringe benefits, or by making equivalent or differential cash payments, only in accordance with Subpart D of 29 CFR Part 4.

(e) *Minimum wage.* In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any person performing work under this contract (regardless of whether the person is a service employee) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this clause shall relieve the Contractor or any subcontractor of any other obligation

under law or contract for payment of a higher wage to any employee.

(f) *Successor contracts.* If this contract succeeds a contract subject to the Service Contract Labor Standards statute under which substantially the same services were furnished in the same locality and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wage rates and fringe benefits, neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreement, to which such employee would have been entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of 29 CFR [4.1](#) b(b) apply or unless the Secretary of Labor or the Secretary's authorized representative finds, after a hearing as provided in 29 CFR [4.10](#) that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in 29 CFR [4.11](#), that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR [4.10](#) and/or [4.11](#) and Parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor Contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Administrative Review Board, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as of the date of the final administrative decision.

(g) *Notification to employees.* The Contractor and any subcontractor under

this contract shall notify each service employee commencing work on this contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) shall be posted in a prominent and accessible place at the work site. Failure to comply with this requirement is a violation of [41 U.S.C.6703](#) and of this contract.

(h) *Safe and sanitary working conditions.* The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary, hazardous, or dangerous to the health or safety of the service employees. The Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(i) *Records.*

(1) The Contractor and each subcontractor performing work subject to the Service Contract Labor Standards statute shall make and maintain for 3 years from the completion of the work, and make them available for inspection and transcription by authorized representatives of the Wage and Hour *Division*, a record of the following:

(i) For each employee subject to the Service Contract Labor Standards statute-

(A) Name and address and social security number;

(B) Correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of payments in lieu of fringe benefits, and total daily and weekly compensation;

(C) Daily and weekly hours worked by each employee; and

(D) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.

(ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested parties or by the Administrator or authorized representative

under the terms of paragraph (c) of this clause. A copy of the report required by subdivision (c)(2)(ii) of this clause will fulfill this requirement.

(iii) Any list of the predecessor Contractor's employees which had been furnished to the Contractor as prescribed by paragraph (n) of this clause.

(2) The Contractor shall also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available these records for inspection and transcription shall be a violation of the regulations and this contract, and in the case of failure to produce these records, the Contracting Officer, upon direction of the Department of Labor and notification to the Contractor, shall take action to cause suspension of any further payment or advance of funds until the violation ceases.

(4) The Contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the work site during normal working hours.

U) *Pay periods.* The Contractor shall unconditionally pay to each employee subject to the Service Contract Labor Standards statute all wages due free and clear and without subsequent deduction (except as otherwise provided by law or regulations, 29 CFR Part 4), rebate, or kickback on any account. These payments shall be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under this statute may not be of any duration longer than semi-monthly.

(k) *Withholding of payments and termination of contract.* The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the Prime Contractor such sums as an appropriate official of the Department of Labor requests or such sums as the Contracting Officer decides may be necessary to pay underpaid employees employed by the Contractor or subcontractor. In the event of failure to pay any employees subject to the Service Contract Labor Standards statute all or part of the wages or fringe benefits due under the Service Contract Labor Standards statute, the Contracting Officer may, after authorization or by direction of the Department of Labor and written notification to the Contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to

comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(I) *Subcontracts*. The Contractor agrees to insert this clause in all subcontracts subject to the Service Contract Labor Standards statute.

(m) *Collective bargaining agreements applicable to service employees*. If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance such agreements shall be reported promptly after negotiation thereof.

(n) *Seniority list*. Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacation or other benefit provisions based upon length of service with a Contractor (predecessor) or successor (29 CFR 4.173), the incumbent Prime Contractor shall furnish the Contracting Officer a certified list of the names of all service employees on the Contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment on the contract either with the current or predecessor Contractors of each such service employee. The Contracting Officer shall turn over such list to the successor Contractor at the commencement of the succeeding contract.

(o) *Rulings and interpretations*. Rulings and interpretations of the Service Contract Labor Standards statute are contained in Regulations, 29 CFR Part 4.

(p) Contractor's certification.

(1) By entering into this contract, the Contractor (and officials thereof) certifies that neither it nor any person or firm who has a substantial interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed under [41 U.S.C. 6706](#).

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract under [41 U.S.C. 6706](#).

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, [18 U.S.C.1001](#).

(q) *Variations, tolerances, and exemptions involving employment.* Notwithstanding any of the provisions in paragraphs (b) through (o) of this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to [41 U.S.C. 6707](#) prior to its amendment by Pub.L.92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical or mental deficiency, or injury may be employed at wages lower than the minimum wages otherwise required by [41 U.S.C. 6703\(1\)](#) without diminishing any fringe benefits or cash payments in lieu thereof required under [41 U.S.C. 6703\(2\)](#), in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, persons with disabilities, and disabled clients of work centers under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the statute for the employment of apprentices, student-learners, persons with disabilities, or disabled clients of work centers not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two statutes, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR parts 520, 521, 524, and 525).

(3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in 29 CFR parts 525 and 528.

(r) *Apprentices.* Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State Apprenticeship Agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Office of Apprenticeship Training, Employer, and Labor Services (OATELS), U.S. Department of Labor. Any employee who is not registered as an apprentice in an approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classification of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The allowable ratio of apprentices to journeymen employed on the contract work in any craft classification shall not be greater than the ratio permitted to the Contractor as to his entire work force under the registered program.

(s) *Tips.* An employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips may have the amount of these tips credited by the employer against the minimum wage required by [41 U.S.C. 6703\(1\)](#), in accordance with section 3(m) of the Fair Labor Standards Act and Regulations, 29 CFR Part 531. However, the amount of credit shall not exceed \$1.34 per hour beginning January 1, 1981. To use this provision-

(1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;

(2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);

(3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Labor Standards minimum wage through the combination of direct wages and tip credit; and

(4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of [41 U.S.C. 6707\(c\)](#).

(t) *Disputes concerning labor standards.* The U.S. Department of Labor has set



forth in 29 CFR parts 4, 6, and 8 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and not the Disputes clause of this contract. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(End of clause)

**52.222-42 Statement of Equivalent Rates for Federal Hires.**

As prescribed in [22.1006\(b\)](#), insert the following clause:

STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 2014)

In compliance with the Service Contract Labor Standards statute and the regulations of the Secretary of Labor ( 29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of [5 U.S.C.5341](#) or [5 332](#).

This Statement is for Information Only: It is not a Wage Determination

**Employee Class**

**Monetary Wage-Fringe Benefits**

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\_\_\_\_\_

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(End of clause)

**52.222-43 Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (Multiple Year and Option Contracts).**

As prescribed in 22.1006(c)(1), insert the following clause:

FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT LABOR STANDARDS-PRICE  
ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (AUG 2018)

- (a) This clause applies to both contracts subject to area prevailing wage determinations and contracts subject to collective bargaining agreements.
- (b) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.
- (c) The wage determination, issued under the Service Contract Labor Standards statute, (41 U.S.C. chapter 67), by the Administrator, Wage and Hour *Division*, U.S. Department of Labor, current on the anniversary date of a multiple year contract or the beginning of each renewal option period, shall apply to this contract. If no such determination has been made applicable to this contract, then the Federal minimum wage as established by section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, (29 U.S.C. 206) current on the anniversary date of a multiple year contract or the beginning of each renewal option period, shall apply to this contract.
- (d) The contract price, contract unit price labor rates, or fixed hourly labor rates will be adjusted to reflect the Contractor's actual increase or decrease in applicable wages and fringe benefits to the extent that the increase is made to comply with or the decrease is voluntarily made by the Contractor as a result of:
- (1) The Department of Labor wage determination applicable on the anniversary date of the multiple year contract, or at the beginning of the renewal option period. For example, the prior year wage determination required a minimum wage rate of \$4.00 per hour. The Contractor chose to pay \$4.10. The new wage determination increases the minimum rate to \$4.50 per hour. Even if the Contractor voluntarily increases the rate to \$4.75 per hour, the allowable price adjustment is \$.40 per hour;
  - (2) An increased or decreased wage determination otherwise applied to the contract by operation of law; or

(3) An amendment to the Fair Labor Standards Act of 1938 that is enacted after award of this contract, affects the minimum wage, and becomes applicable to this contract under law.

(e) Any adjustment will be limited to increases or decreases in wages and fringe benefits as described in paragraph (d) of this clause, and the accompanying increases or decreases in social security and unemployment taxes and workers' compensation insurance, but shall not otherwise include any amount for general and administrative costs, overhead, or profit.

(f) The Contractor shall notify the Contracting Officer of any increase claimed under this clause within 30 days after receiving a new wage determination unless this notification period is extended in writing by the Contracting Officer. The Contractor shall promptly notify the Contracting Officer of any decrease under this clause., but nothing in the clause shall preclude the Government from asserting a claim within the period permitted by law. The notice shall contain a statement of the amount claimed and the change in fixed hourly rates (if this is a time-and-materials or labor-hour contract), and any relevant supporting data., including payroll records, that the Contracting Officer may reasonably require. Upon agreement of the parties, the contract price, contract unit price labor rates., or fixed hourly rates shall be modified in writing. The Contractor shall continue performance pending agreement on or determination of any such adjustment and its effective date.

(g) The Contracting Officer or an authorized representative shall have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor until the expiration of 3 years after final payment under the contract.

(End of clause)

**52.222-44 Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment.**

As prescribed in 22.1006(c)(2), insert the following clause:

FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT LABOR STANDARDS-PRICE  
ADJUSTMENT (MAY 2014)

- (a) This clause applies to both contracts subject to area prevailing wage determinations and contracts subject to Contractor collective bargaining agreements.
- (b) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.
- (c) The contract price, contract unit price labor rates, or fixed hourly labor rates will be adjusted to reflect increases or decreases by the Contractor in wages and fringe benefits to the extent that these increases or decreases are made to comply with-
- (1) An increased or decreased wage determination applied to this contract by operation of law; or
  - (2) An amendment to the Fair Labor Standards Act of 1938 that is enacted subsequent to award of this contract, affects the minimum wage, and becomes applicable to this contract under law.
- (d) Any such adjustment will be limited to increases or decreases in wages and fringe benefits as described in paragraph (c) of this clause, and to the accompanying increases or decreases in social security and unemployment taxes and workers' compensation insurance; it shall not otherwise include any amount for general and administrative costs, overhead, or profit.
- (e) The Contractor shall notify the Contracting Officer of any increase claimed under this clause within 30 days after the effective date of the wage change, unless this period is extended by the Contracting Officer in writing. The Contractor shall promptly notify the Contracting Officer of any decrease under this clause, but nothing in the clause shall preclude the Government from asserting a claim within the period permitted by law. The notice shall contain a statement of the amount and the change in fixed hourly rates (if this is a time-

and-materials or labor-hour contract) claimed and any relevant supporting data that the Contracting Officer may reasonably require. Upon agreement of the parties, the contract price, contract unit price labor rates, or fixed hourly rates shall be modified in writing. The Contractor shall continue performance pending agreement on or determination of any such adjustment and its effective date.

(fJ The Contracting Officer or an authorized representative shall, until the expiration of 3 years after final payment under the contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor.

(End of clause)

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