

Screening Partnership Program

Second Half, Fiscal Year 2015

December 8, 2015 Fiscal Year 2015 Report to Congress



Transportation Security Administration

Message from the Administrator

December 8, 2015

I am pleased to present the following report, "Screening Partnership Program," for the second half of Fiscal Year (FY) 2015, prepared by the Transportation Security Administration (TSA).

TSA is submitting this report pursuant to language in the Joint Explanatory Statement and House Report 113-481 accompanying the *FY 2015 Department of Homeland Security Appropriations Act* (P.L. 114-4). The report discusses TSA's execution of the Screening Partnership Program (SPP) and the processing of SPP applications.



Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John R. Carter Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Hoeven Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jeanne Shaheen Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (571) 227-2801 or to the Department's Deputy Under Secretary for Management and Chief Financial Officer, Chip Fulghum, at (202) 447-5751.

Sincerely yours,

Peter V. Neffenger Administrator



Screening Partnership Program Second Half, Fiscal Year 2015

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I. Legislative Language

This report is submitted pursuant to language in the Joint Explanatory Statement and House Report (H.R.) 113-481 accompanying the *Fiscal Year* (FY) 2015 Department of Homeland Security Appropriations Act (P.L. 114-4), which states:

Privatized Screening

TSA is to provide the Committees semi-annual reports on its execution of the SPP and the processing of applications for participation.

H.R. 113-481 states:

Privatized Screening

TSA is directed to continue providing the Committees semi-annual reports on its execution of the SPP and processing of applications for participation.

II. Background

To assist in supporting its mission, the Transportation Security Administration (TSA) contracts with qualified private companies at participating airports to screen passengers and baggage (including some cargo screened as baggage) for explosives, weapons, and other prohibited items through the use of a private contract screening workforce under federal oversight. The use of private contract screeners continues to play an important role in TSA's mission of protecting the Nation's transportation systems.

The Screening Partnership Program (SPP) complies with the *Aviation and Transportation Security Act* (P.L. 107-71), and 49 U.S.C. §44920, which require the TSA Administrator to approve an application submitted by an operator of an airport to have the screening of passengers and property at the airport carried out by the screening personnel of a qualified private screening company under a contract entered into with the Administrator, if the Administrator determines that the approval would not compromise security or detrimentally affect the cost-efficiency or the effectiveness of the screening of passengers or property at the airport.

The Federal Aviation Administration (FAA) Modernization and Reform Act of 2012 (P.L. 112-95) amended 49 U.S.C. §44920. In addition to providing the security and cost-efficiency standards that TSA must use when awarding a contract, it provided a timeline for approving or denying an application, and specific actions to take if an application is denied.

III. Current Status of SPP

The SPP is a voluntary program where airports contract security screening operations at commercial airports to qualified private companies. These companies run screening operations under federal oversight and must comply with all TSA security screening procedures. Since program inception in 2004, a total of 32 airports have applied to the program. Of the 32 airport applications, 27 were approved, 3 were retracted by the airport prior to a TSA decision, and 2 were not approved by TSA and have not been resubmitted by the airport. Currently, 21 airports participate in the program and have contract security screeners in place. Additionally, TSA is in the procurement stage for one new airport (Punta Gorda Airport - PGD), which is anticipated to be be awarded in December 2015. No airport applications are pending TSA approval. The following table presents the roster of active SPP airports, and identifies the year that they joined the program.

Airport	State	Code	Year
San Francisco International Airport*	California	SFO	2005
Kansas City International Airport*	Missouri	MCI	2005
Greater Rochester International Airport*	New York	ROC	2005
Jackson Hole Airport*	Wyoming	JAC	2005
Tupelo Regional Airport*	Mississippi	TUP	2005
Sioux Falls Airport	South Dakota	FSD	2005
Key West International Airport	Florida	EYW	2007
Sonoma County Airport	California	STS	2007
Roswell International Air Center	New Mexico	ROW	2008
Dawson Community Airport	Montana	GDV	2009
Glasgow International Airport	Montana	GGW	2009
Havre City-County Airport	Montana	HVR	2009
L.M. Clayton International Airport	Montana	OLF	2009
Sidney-Richland Airport	Montana	SDY	2009
Bozeman Yellowstone International Airport	Montana	BZN	2014
Bert Mooney Airport	Montana	BTM	2014
Glacier Park International Airport	Montana	GPI	2014
Yellowstone Airport	Montana	WYS	2014
Orlando-Sanford International Airport	Florida	SFB	2014

Airport	State	Code	Year
Sarasota-Bradenton International Airport	Florida	SRQ	2014
Portsmouth International Airport	New Hampshire	PSM	2014
Punta Gorda Airport	Florida	PGD	Pending Procurement

^{*}These five airports were part of the original SPP pilot program.

Major program activities in the first half of FY 2015 (October 1, 2014, to March 30, 2015) include:

- November 24, 2014 TSA awarded the initial contract for security screening services at Sarasota-Bradenton International Airport (SRQ) in Florida to Trinity Technology Group, Inc.
- December 3, 2014 TSA awarded the recompetition contract for five airports in Eastern Montana to incumbent Trinity Technology Group, Inc. Referred to as "Montana East" (MTE), the contract scope includes the following airports: Dawson Community Airport (GDV), Glasgow International Airport (GGW), Havre City-County Airport (HVR), L.M. Clayton International Airport (OLF), and Sidney-Richland Municipal Airport (SDY).
- December 22, 2014 TSA awarded the initial contract for security screening services at Portsmouth International Airport (PSM) in New Hampshire to VMD Systems Integrators, Inc. The contract award was made within 6 months of TSA's receipt of the airport's application using the U.S. Small Business Administration's (SBA) 8(a) Small Business Development Program.
- January 1, 2015 TSA completed the transition to a new contract with no vendor change at Roswell International Air Center (ROW) in New Mexico. Incumbent SPP contractor BOS Security, Inc. was awarded the recompetition contract on September 22, 2014.
- January 13, 2015 TSA submitted the SPP Independent Study to the U.S. Government Accountability Office (GAO) for review. The study, prepared by BDO USA, LLP, was submitted to GAO within the 1-year deadline mandated by Congress.
- January 16, 2015 TSA hosted an "SPP Industry Day" at TSA Headquarters in Arlington, Virginia. There were 82 attendees representing 59 companies.
 Representatives from the U.S. Department of Labor, GAO, and BDO USA, LLP also attended the event. TSA delivered briefings on sensitive security information,

- the proposed indefinite delivery/indefinite quantity (IDIQ) contract, airport-specific IDIQ task orders, the Federal Cost Estimate, and other program updates.
- February 1, 2015 TSA completed the Federal-to-SPP contractor workforce transition at Orlando-Sanford International Airport (SFB) in Florida. The contract was awarded to Trinity Technology Group, Inc. on September 18, 2014.
- March 1, 2015 TSA completed the SPP Contractor-to-SPP contractor transition at Kansas City International Airport (MCI). On February 24, 2014, SPP awarded a recompetition contract for security screening services at MCI to Akal Security. The award was protested by the incumbent contractor, FirstLine Transportation Security, Inc., and a stop work order was issued by the TSA Contracting Officer to Akal Security. On November 13, 2014, the U.S. Court of Federal Claims dismissed the protest in favor of the Federal Government. The incumbent's request for a stay pending appeal was denied by the U.S. Court of Appeals on December 24, 2014, and the incumbent voluntarily withdrew its appeal of the decision.
- March 1, 2015 TSA completed the transition to a new contract with no vendor change at the five MTE airports. Incumbent SPP contractor Trinity Technology Group, Inc. was awarded the recompetition contract on December 3, 2014.
- March 9, 2015 TSA released the solicitation (request for proposal or RFP) for security screening services at Punta Gorda Airport (PGD) in Florida. TSA received the airport's SPP application on December 2, 2014, and approved it on January 14, 2015, well within the 120 days required by the FAA Modernization and Reform Act of 2012.

Major program activities in the second half of FY 2015 (April 1, 2015, to September 30, 2015) include:

- April 1, 2015 TSA completed the Federal-to-SPP contractor security screening workforce transition at Sarasota-Bradenton International Airport (SRQ) in Florida. Trinity Technology Group was awarded the new contract on November 24, 2014.
- April 8, 2015 The RFP for contract security screening services at Punta Gorda Airport (PGD) closed. SPP is currently in the source selection process for the first contract award at Punta Gorda Airport. The evaluation has been ongoing since the RFP closed. An award is scheduled for December 1, 2015.
- May 1, 2015 TSA completed the Federal-to-SPP contractor security screening workforce transition at Portsmouth International Airport (PSM) in New

Hampshire. VMD Systems Integrators, Inc., an SBA 8(a) vendor, was awarded the new contract on December 22, 2014.

- July 7-9, 2015 TSA hosted vendor site visits at Sonoma County Airport (STS) on July 7, 2015, and at San Francisco International Airport (SFO) on July 9, 2015, to support the upcoming IDIQ contract. The contracts for these two airports will be issued as task orders under the IDIQ contract and will be issued concurrently with the IDIQ.
- August 11, 2015 SPP issued a "show cause" letter to CSSI/FirstLine JV1.
 CSSI/FirstLine was, at the time, the vendor performing security screening services at four airports in Western Montana: Bozeman Yellowstone International Airport (BZN), Glacier Park International Airport (GPI), Bert Mooney Airport (BTM), and the Yellowstone Airport (WYS). The show cause letter was issued because CSSI/FirstLine failed to meet the requirements as set forth in the terms of its contract.
- August 13, 2015 GAO completed its audit and held a closeout conference for its engagement titled "Screening Partnership Program: Costs of Private and Federal Airport Screeners" (GAO 441234). GAO initiated its audit on August 11, 2014. TSA received the GAO draft report on September 24, 2015, and submitted a response on October 23, 2015.
- September 21, 2015 TSA released the solicitations (RFPs) for the base IDIQ contract, Sonoma County Airport (STS) task order, and San Francisco International Airport (SFO) task order. TSA defined the contract requirements, released a pre-solicitation notice on May 22, 2015, and adjudicated comments received from industry prior to releasing the final solicitation.
- October 1, 2015 TSA terminated the contract with CSSI/FirstLine and awarded a
 1-year contract to Trinity Technology Group, Inc. TSA intends to recompete
 services for these airports as a task order under the IDIQ. TSA's National
 Deployment Force will provide security screening services at the four Western
 Montana airports until Trinity can fully assume responsibility for screening
 operations.

The following table shows the status of all airports that have applied to SPP. Those shaded in gray represent the five initial pilot airports.

Applicant	Date Application Received	Decision	Date of Decision	Currently Participating (Y/N)
Elko Regional Airport (EKO)	11/29/2004	Retracted	6/13/2005	N
Jackson Hole Airport (JAC)	1/3/2005	Approved	6/13/2005	Y
Kansas City Int'l Airport (MCI)	4/25/2005	Approved	6/13/2005	Y
Sioux Falls Airport (FSD)	4/27/2005	Approved	6/13/2005	Y
Greater Rochester Int'l Airport (ROC)	4/28/2005	Approved	6/13/2005	Y
San Francisco Int'l Airport (SFO)	4/29/2005	Approved	7/1/2005	Y
Tupelo Regional Airport (TUP)	4/29/2005	Approved	6/13/2005	Y
Key West Int'l Airport (EYW)	10/25/2006	Approved	5/18/2007	Y
Florida Keys Marathon (MTH)	10/25/2006	Approved	5/18/2007	N^1
Sonoma County Airport (STS)	11/13/2006	Approved	6/15/2007	Y
East 34th Street Heliport (6N5)	1/4/2007	Approved	1/4/2007	N^1
Gallup Municipal Airport (GUP)	5/9/2007	Approved	10/15/2007	N^1
Roswell Int'l Air Center (ROW)	6/18/2007	Approved	10/15/2007	Y
L.M. Clayton Int'l Airport (OLF)	12/18/2007	Approved	8/13/2009	Y
Sidney-Richland Airport (SDY)	12/18/2007	Approved	8/13/2009	Y
Miles City Airport (MLS)	1/2/2008	Approved	8/13/2009	N^1
Glasgow Int'l Airport (GGW)	1/7/2008	Approved	8/13/2009	Y
Dawson Community Airport (GDV)	1/9/2008	Approved	8/13/2009	Y
Havre City-County Airport (HVR)	1/9/2008	Approved	8/13/2009	Y
Lewiston Airport (LWT)	1/9/2008	Approved	8/13/2009	N^1
Branson Airport (BBG)	10/27/2008	Retracted	3/24/2009	N
Missoula Int'l Airport (MSO)	5/20/2010	Denied	1/28/2011	N^2
Springfield-Branson Airport (SGF)	12/15/2010	Denied	1/28/2011	N^2
Yellowstone Airport (WYS)	7/21/2011	Approved	1/23/2012	Y
Sacramento Int'l Airport (SMF)	2/3/2012	Retracted	1/9/2013	N
Orlando-Sanford Int'l Airport (SFB)	2/14/2012	Approved	6/6/2012	Y
Glacier Park Int'l Airport (GPI)	3/21/2012	Approved	6/22/2012	Y
Bert Mooney Airport (BTM)	6/4/2012	Approved	8/27/2012	Y

Applicant	Date Application Received	Decision	Date of Decision	Currently Participating (Y/N)
Bozeman Yellowstone Int'l (BZN)	6/19/2012	Approved	8/27/2012	Y
Sarasota-Bradenton Int'l (SRQ)	2/5/2013	Approved	5/16/2013	Y
Portsmouth Int'l Airport (PSM)	6/24/2014	Approved	8/19/2014	Y
Punta Gorda Airport (PGD)	12/2/2014	Approved	1/14/2014	N^3

¹ Commercial air service ceased (airport de-federalized) after application approval.

² Applications denied because of lack of clear and present advantage of privatization. Applications were not resubmitted after *FAA Modernization and Reform Act of 2012* language changes.

³ Procurement process under way.

IV. Conclusion

Private contract screeners have played an important role in TSA's mission to protect the Nation's transportation systems dating back to 2002, when Congress gave TSA a mandate to screen passengers and baggage. That work continues today as almost 2,000 private contract screeners screen nearly 32 million passengers, or five percent of TSA's annual passenger volume, and their baggage across 21 airports nationwide every year.

In FY 2015, TSA continued efforts to mature the program through initiatives to improve stakeholder communication and outreach, effectively administer existing contracts, and to explore new procurement strategies. TSA strives to maintain SPP as a strong, well-managed, and valuable program.