US Department of Agriculture (USDA)

Retailer Investigations

Performance Work Statement

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Project Title

Retailer Investigations

General Information

1.0 Background and Purpose

The Contractor is required to supply non-personnel services that deliver support for Retailer Investigations. In accordance with FAR 37.201-2 A personal services contract exist when the Government supervises or controls contractor employees, or appears to do so, as if they were Government employees. This type of contract circumvents civil service laws that require the Government to competitively hire and appoint its own employees. the Government shall not exercise supervision or control over contractor personnel performing these services. All contract personnel shall remain accountable solely to the Contractor, who is fully responsible for the management, direction, and performance of work delivered to the Government.

The United States Department of Agriculture (USDA), Food and Nutrition Administration (FNA), Office of Retailer Operations and Compliance (ROC), requires qualified vendors to support the integrity of the Supplemental Nutrition Assistance Program (SNAP) by providing non-personal services in support of retailer investigations.

The objective of this requirement is to reduce fraud, waste, and program abuse by furnishing personnel capable of performing the following functions:

1) Conduct investigations of retailers identified and reviewed by FNA and suspected of committing SNAP fraud.
2) Recommend approaches for identifying emerging methods of potential retailer fraud and enhancing investigative techniques.
3) During assigned investigations, identify additional retailers within the surrounding area that may be engaged in fraudulent activity and report such information to FNA.
4) Coordinate with state and local partners in the investigation of SNAP fraud when explicitly directed by FNA.

These services directly support ROC's mission to safeguard program integrity and ensure consistent, compliant, and effective investigative operations.

FNA administers the nutrition assistance programs of USDA. The mission of FNA is to ensure that children and low-income families have reliable access to nutritious food and a healthier diet through its food assistance programs and comprehensive nutrition education initiatives. In addition to providing access to nutritious foods, FNA empowers program participants by strengthening their understanding of the relationship between diet, health, and long-term well-being.

FNA works in close partnership with State agencies in the administration of the SNAP, particularly on the recipient side of program operations. States are responsible for determining most administrative processes related to the distribution of food benefits and participant eligibility, while FNA provides funding to support the majority of State administrative costs.

On the retailer side, ROC manages the retailer application and reauthorization process and is responsible for reviewing, prioritizing, and investigating all stores that appear to be violating SNAP retailer regulations.

Under the Inspector General Act of 1978, the USDA Office of Inspector General (OIG) is granted primary authority to conduct investigative activities within the Department. However, the authority to conduct misdemeanor and limited felony-level SNAP undercover investigations of authorized firms has been delegated to FNA. A Memorandum of Understanding (MOU) between OIG and FNA outlines the respective responsibilities for conducting investigations of firms or individuals suspected of violating SNAP regulations. In accordance with the MOU, FNA notifies OIG prior to initiating certain cases. OIG may elect to assume jurisdiction over cases developed by FNA or initiate its own investigations for potential criminal or civil prosecution. OIG may also coordinate with the Federal Bureau of Investigation (FBI) and other Federal agencies when pursuing criminal enforcement actions. The United States Secret Service serves as the cognizant Federal agency for crimes involving interstate electronic violations and may participate in relevant cases.

Additionally, some States maintain State Law Enforcement Bureau (SLEB) Memorandums of Understanding with FNA, which authorize them to initiate retailer investigations, provided they obtain clearance from FNA.

The Contractor's team shall meet all applicable licensing requirements to ensure that personnel are authorized and available to perform work in every area of the region for which the Contractor is appointed. Vendors may indicate their preferred region; however, final regional assignment shall be determined by the Government based on operational needs.

Eastern Region		
Alabama	Connecticut	Delaware
Florida	Georgia	Kentucky
Maine	Maryland	Massachusetts
North Carolina	New Hampshire	New Jersey
New York	Ohio	Pennsylvania
Rhode Island	South Carolina	Tennessee
Vermont	Virgina	Virgin Islands
Washington DC	West Virginia	

Western Region		
Alaska	Arkansas	Arizona
California	Colorado	Guam
Hawaii	Idaho	Illinois
Indiana	Iowa	Kansas
Louisiana	Michigan	Minnesota
Mississippi	Missouri	Montana
Nebraska	Nevada	New Mexico
North Dakota	Oklahoma	Oregon
South Dakota	Texas	Utah
Washington	Wisconsin	Wyoming

It is estimated that each Contractor will conduct 23,410 investigative passes within the Base Year of this contract; adding an additional 3% more investigative passes within each Option Year.

ROC continues to strengthen program integrity by reducing the number of fraudulent retailers and reinforcing a zero-tolerance posture toward fraud within the retailer community.

2.0 Definitions and Acronyms

DEFINITIONS	
CONTRACTOR	A supplier or vendor awarded a contract to provide specific supplies or service to the government.
CONTRACTING OFFICER	A person with authority to enter into, administer, and/or terminate contracts, and make related determinations and findings on behalf of the Government. **NOTE: The only individual who can legally bind the Government.**
CONTRACTING OFFICER'S REPRESENTATIVE	An employee of the Government, appointed by the Contracting Officer, to administer the contract. Such appointment shall be in writing and shall state the scope of authority and limitations. This individual has authority to provide technical direction to the Contractor as long as that direction is within the scope of the contract, does not constitute a change, and has no funding implications. This individual does NOT have authority to change the terms and conditions of the contract.
DEFECTIVE SERVICE	A service output that does not meet the standards of performance associated with the Performance Work Statement.
DELIVERABLES	Anything that can be physically delivered, but may include non-manufactured things such as meeting minutes or reports.
KEY PERSONNEL	Contractor personnel that are evaluated in a source selection process that may be required to be used in the performance of a contract by the Key Personnel listed in the PWS. When key personnel are used as an evaluation factor in best value procurement, an offer can be rejected if it does not have a firm commitment from the individuals that are listed in the proposal.
PHYSICAL SECURITY	Actions that prevent the loss or damage of Government property.
QUALITY ASSURANCE	The government procedures to verify that services being performed by the Contractor are performed according to acceptable standards.
QUALITY ASSURANCE SURVEILLANCE PLAN	An organized written document specifying the surveillance methodology to be used for surveillance of contractor performance.
QUALITY CONTROL	All necessary measures taken by the Contractor to assure that the quality of an end product or service shall meet contract requirements.

ACRONYMS	
ALERT	Anti-Fraud Locator Using Electronic Benefits Transfer (EBT) Retailer Transactions
CFR	Code of Federal Regulations
CNP	Child Nutrition Program
COR	Contracting Officer's Representative
CPARS	Contractor Performance Rating System
EBT	Electronic Benefits Transfer
FAR	Federal Acquisition Regulation

FBI	Federal Bureau of Investigation
FNA	Food and Nutrition Administration
KO/CO	Contracting Officer
NIST	National Institute of Standards & Technology
OIG	Office of the Inspector General
POC	Point of Contact
PII	Personally Identifiable Information
PRMS	Performance Requirement Measures and Surveillance
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act 1996
PWS	Performance Work Statement
QASP	Quality Assurance Surveillance Plan
QCP	Quality Control Program
RFI	Request for Investigation
ROC	Office of Retailer Operations and Compliance
SIU	Special Investigations Unit
SLEB	State Law Enforcement Bureau
SNAP	Supplemental Nutrition Assistance Program (formerly known as the Food Stamp Program)
STARS	Store Tracking and Redemption System
USDA	United States Department of Agriculture
WIC	Women, Infants, and Children

Contractor Requirements

3.0 Technical Requirements/Tasks

The Contractor shall recruit and maintain a cadre of investigators with the ability to speak and understand multiple languages as multilingual capability enhances the identification of potentially fraudulent retailers without compromising investigator safety or investigative objectives.

The Contractor shall ensure that all investigators assigned to this requirement have successfully completed a comprehensive background screening conducted by the Contractor, to include:

- U.S. Citizenship
- Education Verification
- Statewide and National Criminal History Checks
- Prior Employment Verification
- Drug Test
- Registration under individual State license requirements (if required)

All investigators must possess a minimum of five (5) years of investigative experience and demonstrate a high degree of self-discipline, integrity, and moral character. These attributes are essential to ensuring that investigative activities are conducted in a lawful, ethical, and professionally sound manner.

Investigators are expected to exhibit the following characteristics:

- Professionalism
- Adaptability
- Strong Reasoning Ability

- Excellent Oral Communication Skills
- Excellent Written Communication Skills
- Exceptional Observation Skills
- Strong Listening Skills
- Bilingual or Multilingual Capability
- Computer Literacy
- Prior law enforcement experience or experience working with law enforcement (preferred)

These qualifications and characteristics ensure that investigators are capable of supporting FNA's mission to safeguard SNAP integrity and uphold the highest standards of investigative conduct.

Investigators shall conduct investigative passes at all retail stores identified by FNA in the assigned Requests for Investigation (RFI). RFIs will generally be issued on a weekly basis; however, based on operational needs, FNA may issue RFIs at more frequent intervals. During the passes, the investigators shall conduct purchases, attempt purchases of non-SNAP eligible items, and attempt at trafficking which is the exchange/sale of SNAP benefits in accordance with FNA investigative parameters. The Contractor shall, at its discretion, perform investigative activities on Federal holidays, provided all work remains in compliance with FNA direction and this PWS.

Prior to initiating any investigation, investigators shall review all pertinent materials supplied by FNA, which may include, but not limited to:

- store visit photographs
- information on periods of peak EBT activity
- demographic or environmental information regarding the surrounding area

Investigators shall use this information to appropriately tailor their approach and maximize investigative effectiveness while remaining within FNA-approved methods. Certain investigations may require video surveillance; in such cases, investigators shall perform surveillance activities only in accordance with additional direction and training provided by FNA.

Investigators shall not engage in any investigative activity that is not expressly authorized or approved by FNA/ROC. Audio or video recording of conversations between any involved parties is strictly prohibited unless prior written approval has been obtained from FNA.

All investigative activities shall be deliberately planned and executed. No actions shall be taken that could jeopardize the integrity of the case, adversely affect the reputation or interests of FNA, or compromise the safety of any investigator or member of the public.

The following activities are strictly **prohibited** and constitute grounds for immediate removal of personnel and corrective action at no cost to the Government:

- Carrying weapons of any kind.
- Using individuals who are not employees of the Contractor.
- Threating, coercing, or making promises to obtain information, or engaging in any conduct that may jeopardize the investigation or compromise the integrity of FNA.
- Using cash to purchase any items from the retailer under investigation or from any representative of that retailer.
- Purchasing illicit or illegal drugs under any circumstances, unless operating under the direct

supervision of the USDA OIG or another authorized law enforcement agency.
- Using illicit or illegal drugs and/or consuming alcohol while performing any work on behalf of FNA.

All work performed under this contract shall comply with the National Institute of Standards and Technology (NIST) requirements, all applicable federal laws and regulations, and USDA and Office of the Chief Information Officer (OCIO) directives governing the protection and security of Information Technology resources. Applicable directives and guidelines include, but are not limited to:

- Computer Security Act of 1987
- Federal Information Security Management Act (FISMA)
- OMB Circular A-130, Management of Federal Information Resources
- Presidential Decision Directive 63, Critical Infrastructure Protection (CIP)
- Presidential Decision Directive 67, Enduring Constitutional Government and Continuity of Government Operations
- Homeland Security Presidential Directive 7
- NIST Special Publication 800-18, Guide for Developing Security Plans for Information Technology Systems
- U.S. Government "Plain Language" Guidelines
- USDA OCIO Directive DM 3535-000 (Information Systems Security)

The Contractor shall ensure full adherence to these requirements to protect Government systems, data, and program integrity."

Investigations may result in civil prosecution of retailers under the False Claims Act. Evidence of violations identified during an investigation may serve as the basis for prosecution if referred to and pursued by the USDA Office of Inspector General (OIG) or other Federal law enforcement agencies. Accordingly, contractor-provided investigators must be capable of providing accurate, credible, and professional testimony in administrative and judicial proceedings. The Contractor shall ensure the capability to prepare investigators for both administrative and judicial hearings, as required by FNA.

4.0 Deliverable/Schedule

The Contractor shall enter all the results of all the investigative passes into the designated FNA System, or otherwise report them to FNA, within 24 hours of the date and time the passes were conducted.

The Contractor shall provide a daily summary of investigative activity, which shall include:

- A list of all stores investigated
- The name of each investigator conducting the passes
- The number of passes completed
- The number of sanctionable investigations
- The number of trafficking attempts conducted

The Contractor shall submit a monthly management report to FNA no later than the 5th calendar day of each month. This report shall summarize all contractor activities during the reporting period, including management issues, operational status, recommendations, and proposed resolutions.

The Contractor shall conduct a thorough quality review of all deliverables prior to submission to ensure accuracy, completeness, and compliance with FNA requirements.

Item #	Deliverable	Due Date	Acceptance
1	Pass Results	Within 24 hours of the pass	Enter into designated FNA system
2	Case Reports	Within 12 calendar days of last pass conducted	Enter into designated FNA system
3	Case Report Corrections	Within 7 calendar days of returned date	Enter into designated FNA system
4	Investigative Results Report	Daily	Excel
5	Management Reports - Computation of Monthly Statistics	Monthly (by 5th day of month)	Excel

5.0 Government Furnished

The Government shall not provide any facilities, workspace, utilities, or equipment to the Contractor. The Government shall provide work-fundamental information, access to FNA data systems, and Electronic Benefit Transfer (EBT) cards necessary to perform the required services.

All personnel accessing FNA data systems must comply with all applicable Federal information security requirements, including those governing the protection of data integrity, confidentiality, and handling of Personally Identifiable Information (PII).

All materials, information, and data provided by the Government are designated as Sensitive-but Unclassified (SBU). SBU information, data, and equipment shall be disclosed only to personnel who are authorized and have a demonstrated Need-to-Know. The Contractor shall ensure that all SBU materials are protected at all times to maintain the level of confidentiality and integrity required by the Government.

The Contractor shall implement and maintain appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of all Government-provided information, data, and equipment.

When no longer required, all Government-provided information, data, and equipment shall be returned to Government control, destroyed, or retained as otherwise directed by the Government. Destruction shall be performed in a manner that prevents reconstruction of the material, including tearing into small pieces, burning, shredding, or other methods consistent with General Services Administration (GSA) guidelines.

6.0 Travel

Although overnight travel is not anticipated, occasional multi-state overnight travel may be required in support of FNA investigative operations. Investigators shall acknowledge and agree to this requirement as a condition of assignment. Accordingly, all investigators must possess an active, valid state driver's license and must be available to work nights and weekends, consistent with operational needs.

Travel shall not be reimbursed unless it has been authorized in advance by the Contracting Officer's Representative (COR), in accordance with FAR 31.205-46, Travel Costs. All travel must comply with the Federal Travel Regulation (FTR), 41 Code of Federal Regulations (CFR), Chapters 300-304. Travel under this contract is

a cost-reimbursable Contract Line-item Number (CLIN), and reimbursement shall be limited strictly to actual, allowable, and reasonable expenses supported by proper documentation.

The Contractor shall ensure that all travel performed under this contract fully complies with applicable Federal, Departmental, and Agency travel policies and regulations. The Contractor shall not incur any travel costs without obtaining prior written approval from the COR.

7.0 Contractor's Key Personnel

The Contractor shall provide a Project Manager (PM) and an Alternate Project Manager (APM) who shall be responsible for the overall performance of work. The Contractor's PM and APM are designated by the Government as Key Personnel.

The Contractor's PM and APM shall possess full authority to act on behalf of the Contractor for all matters relating to the daily operation, administration, and performance of this contract. The PM and APM shall be available to the Government between the core hours of 9:00am and 4pm Eastern Time, Monday through Friday excluding Federal holidays.

Key Personnel shall meet the following minimum qualifications:

- Bachelor's degree from an accredited four-year institution
- Minimum of five (5) years of investigative experience (government or private sector)
- Minimum of five (5) years of senior management experience, demonstrating the ability to resolve client issues and conduct management and technical reviews to ensure quality
- Minimum of two (2) years of experience managing a nationwide field staff supporting Government projects

If the Contractor intends to replace or reassign any identified Key Personnel, the Contractor shall notify the Contracting Officer's Representative in writing prior to any removal or replacement of key personnel. The written notification shall provide sufficient justification, including a substitute's qualifications, and an explanation of any impact on performance, giving the Government reasonable notice of no less than five (5) business days.

8.0 Security Requirements

All contractor personnel performing work under this contract shall possess a National Agency Check Inquiries (NACI) Tier 1 background investigation. This investigation will be initiated and processed through the USDA upon being assigned to this project. The COR is responsible for processing the on boarding of all contractor personnel and approving all access to the FNA information systems. No individual shall be granted system access or permitted to perform work requiring such access until the COR has provided explicit authorization.

9.0 Data Rights

The Government shall have unlimited rights, as defined in FAR 52.227-14, to all documents and materials produced under this contract. All materials, including but not limited to, reports, data analyses, methodologies, and the source code of any software – developed or delivered in the performance of this contract shall be the exclusive property of the Government, with all rights and privileges of ownership and copyright vested solely in the Government.

Such documents and materials shall not be used, reproduced, distributed, disclosed, or sold by the Contractor without the prior written authorization of the Contracting Officer. All materials furnished to the Government or produced for the Government under this contract shall be used solely for contract performance and for no other purpose.

These rights are in addition to, and do not limit, restrict, or supersede any other rights the Government may possess under this contract, applicable statutes, or Federal Acquisition Regulations provisions. The Government expressly reserves the right to exercise any and all contractual remedies.

10.0 Performance Requirement Measures

The Contractor's performance will be evaluated against the specific tasks and performance requirements outlined in this Performance Work Statement. If the Government determines that any investigative pass contains intentionally misleading information, the Contractor shall, at no additional cost to the Government, re-perform all passes conducted by the investigator associated with the deficiency for the RFIs in question, as well as any other passes performed by the investigator as requested by the Government. Failure to comply with these corrective actions may result in additional remedies, including withholding payments, suspension of work, termination for default, or other actions deemed appropriate by the Government.

Re-performing of the investigative passes shall be completed within the 30 calendar days of assignment. Such corrective actions shall not interfere with ongoing investigative operations or reporting requirements established under this contract. Failure to meet the specified timeframe may result in remedies including, but not limited to, withholding of payments, disallowance of costs, suspension of work, termination for default, or other actions deemed appropriate by the Government.

The Government will evaluate the Contractor's performance in accordance with the performance requirements, measures, and surveillance methods identified below. Performance results will be documented in the Contractor Performance Assessment Reporting System (CPARS).

PERFORMANCE REQUIREMENT MEASURE AND SURVEILLANCE (PRMS)					
Performance Area	**Performance Requirement**	**Performance Standard**	**Acceptable Quality Level (AQL)**	**Surveillance Method**	**Frequency**
Field Work Results – Timeliness	Enter results into the designated FNA system or report to FNA within 24 hours of each pass	100% of pass results entered within 24 hours	95%	Inspection	Daily
Field Work Results – Quality	Data submitted must be of sufficient quality that FNA does not need to return it for re-work	100% of reports are errorfree (errors must not change the outcome of the investigation)	95%	Inspection	Daily

Performance Area	Performance Requirement	Performance Standard	Acceptable Quality Level (AQL)	Surveillance Method	Frequency
Investigation Results – Timeliness	Investigations completed and submitted to FNA via FNA's tracking system within calendar 30 days of assignment	At least 100% completed and submitted within 30 days	95%	Inspection	Monthly
Investigation Reports – Timeliness	Case reports must be submitted to FNA within 12 calendar days of the last pass conducted.	At least 100% submitted within 12 calendar days	95%	Inspection	Monthly
Investigation Reports – Timeliness	Case reports returned for correction must be re-submitted to FNA within 7 calendar days of return date	At least 100% submitted within 7 calendar days	95%	Inspection	Monthly
Business Relations	Contractor conducts itself professionally and respectfully with all parties	Regular and ad-hoc meetings between Contractor and FNA	Quarterly Performance Evaluation	Quarterly	Quarterly
Management of Key Personnel	Key personnel attend scheduled meetings and are available for ad-hoc meetings to address contractual concerns	Regular and ad-hoc meetings between Contractor and FNA	Quarterly Performance Evaluation	Quarterly	Quarterly

Rating Definitions	
Exceptional	Performance exceeds contractual requirements. The contractual performance of the element or sub-element being assessed was accomplished with few minor problems for which corrective actions taken by the contractor were highly effective.
Very Good	Performance meets contractual requirements. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems which corrective actions taken by the contractor were effective.
Satisfactory	Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.
Marginal	Performance does not meet some contractual requirements. The contractual performance of the element or sub- element being assessed reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.
Unsatisfactory	Performance does not meet most contractual requirements, and recovery is not likely promptly. The contractual performance of the element or sub-element contains a serious problem(s) for which the contractor's corrective actions appear or were ineffective.

11.0 Conclusion

This contract supports a mission critical Federal function, and the requirements contained in this Performance Work Statement are mandatory. The Government expects full, continuous, and uncompromising compliance with every investigative, operational, reporting, and security requirement established herein. Any deviation, whether procedural, ethical, technical, or administrative, will be treated as a failure to meet contractual obligations.

The Contractor shall execute all investigative activities with precision, discipline, and strict adherence to Federal law, USDA policy, FNA directives, and all applicable security and confidentiality standards. The Government will not tolerate conduct, omissions, or performance deficiencies that jeopardize integrity, compromise evidence, endanger personnel, or undermine the credibility of SNAP enforcement operations.

The Government reserves the right to require immediate corrective action, reperformance at no cost, removal of personnel, withholding of payment, or any other contractual remedy available under Federal Acquisition Regulation (FAR) authority when performance does not meet the standards prescribed in this PWS. Persistent or material non-compliance may result in adverse CPARS ratings, termination for cause, or referral to appropriate oversight entities.

The Contractor's performance directly affects the Government's ability to detect, deter, and prosecute SNAP retailer fraud. The Government requires a Contractor that operates with absolute integrity, unwavering professionalism, and full compliance always. The expectations are clear, the standards are non-negotiable, and the Government will enforce them rigorously.