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GLEIF response to the General Services Administration (GSA) Entity Validation Services Request for Information (RFI) #ID15170001

Dear Mrs. Green,

The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide you with its comments in response to the Entity Validation Services Request for Information (RFI) #ID15170001 published by the General Services Administration in October 2017.

GLEIF Comments on the Performance Work Statement (PWS) for Entity Validation Services

GSA Requirement
Business Objectives

A method to determine entity uniqueness, which could include the assignment and/or use of a unique entity identifier in perpetuity, validation of certain entity data, and associated services.

The contractor shall meet this objective by determining that a registering entity is unique and assigning a unique identifier to that entity. The unique identification service shall support local and globally-located entities seeking to register to do business with the federal government without requiring direct government review and approval during initial registration and ongoing monitoring.

The contractor shall meet this objective by validating information regarding an entity that an entity enters into SAM, both at initial registration and as an entity maintains their registration in SAM with subsequent updates, and providing additional information about an entity that has been accumulated by the contractor and would be of interest to the IAE Entity Validation Services federal government in its awarding process.

GLEIF response:

In 2011, the Group of Twenty (G20) called on the [Financial Stability Board \(FSB\)](#) to provide recommendations for a global [Legal Entity Identifier \(LEI\)](#) and a supporting governance structure. This led to the development of the Global LEI System which, through the issuance of LEIs, now provides unique identification of legal entities participating in financial transactions across the globe.

The Legal Entity Identifier (LEI) is a 20-digit, alpha-numeric code based on the ISO 17442 standard developed by the International Organization for Standardization (ISO). The LEI code connects to

key reference information that enables clear and unique identification of legal entities participating in financial transactions.

The Global LEI System can be leveraged by the GSA as the only global free online source that provides open, standardized and high quality legal entity. By leveraging the LEI as the unique identifier for the SAM, the GSA can save costs by eliminating duplicate data collection and validation efforts, avoid lock-in with vendor proprietary identifiers, and more easily link to other regulatory reporting already requiring the LEI as the primary identifier.

GSA Requirement

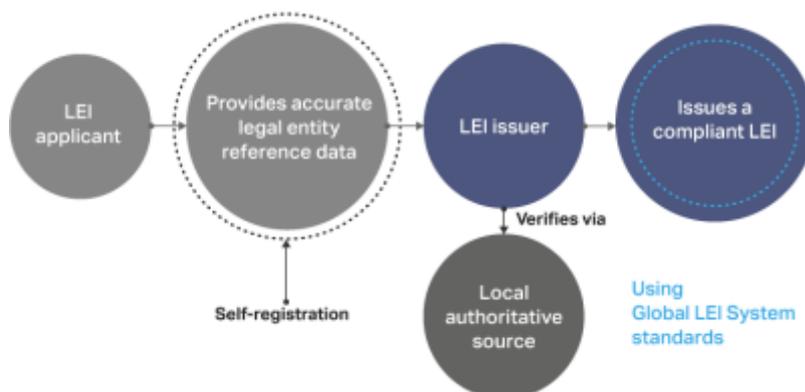
Processes to be covered by contractors:

- Initial entity registration
- Entity registration updates
- On-going monitoring

Contractors should specify which of the registration items they can provide validation for and describe how such validation will occur using a sample workflow as provided in the PWS document on page 19.

GLEIF response:

Registration of the legal entity in the Global LEI System occurs at a Local Operating Unit, or LOU, also referred to as LEI issuers. Currently there are 29 LOUs operating around the world with nine providing services to legal entities domiciled in the United States. All LOUs follow a standard process of registration which includes validating the reference data provided by the legal entity against third party authoritative sources such as a business register or tax register (see diagram below). GLEIF provides a consolidated listing of all third party authoritative sources worldwide that are used for validation in the Global LEI System: <https://www.gleif.org/en/about-lei/gleif-registration-authorities-list>



The Global LEI System defines uniqueness as ensuring that each LEI code is issued only once and no entity should have more than one LEI. Prior to issuance of the LEI, there are two levels of checks for duplicates in the Global LEI System – one at the LOU within its own database and the second from

the LOU to the Global LEI Foundation across all LEIs issued or in the process of being issued. LEIs also never are reused or re-issued and historical information is archived and not deleted from the Global LEI system.

GSA Requirement

Data elements that the government is interested in validating at initial entity registration are:

- ❖ SAM core data including:
 - Legal Business Name
 - Business Information (is this a business description?)
 - Business Start Date
 - Fiscal Year End Close Date
 - Corporate URL
 - Company Division Name
 - Physical Address
 - Mailing Address
 - Immediate Owner/Highest Level Owner
 - Predecessors
 - Subsidiaries
 - Doing Business As
 - Country of Incorporation
 - State of Incorporation
 - Entity Structure
- ❖ Additional information the contractor believes could assist the federal government in registrant identification

Data elements that the government is interested in validating via on-going monitoring:

- ❖ SAM core data including:
 - Legal Business Name
 - Business Information (is this a business description?)
 - Business Start Date
 - Fiscal Year End Close Date
 - Corporate URL
 - Company Division Name
 - Physical Address
 - Mailing Address
 - Immediate Owner/Highest Level Owner
 - Predecessors
 - Subsidiaries
 - Doing Business As
 - Country of Incorporation
 - State of Incorporation
- ❖ Additional information the contractor believes could assist the federal government in entity information validation.

GLEIF response:

The above data elements can be validated upon either initial entity registration or on-going maintenance. All but the Business Start Date, Fiscal Year End Close Date and Corporate URL currently appear in the public LEI data record.

Clarification is needed on the details regarding what should be validated for the Business Information element. GLEIF does not currently collect or validate what is defined as Additional information the contractor believes could assist the federal government in entity information validation. These elements have been highlighted above.

Additional information on the LEI data available publicly can be found at:

<https://www.gleif.org/en/lei-data/gleif-concatenated-file/download-the-concatenated-file>

GSA Requirement

Contractor's methods and sources for validating entity data and determining uniqueness is independent of federal government systems utilized by IAE and SAM:

There should be statements covering the following requirements for the GSA Unique Entity Identifier (UEI) system:

1. Available for public use at the federal government's discretion.
2. Not restricted for federal government use. The federal government requires the right to use the UEI without restriction for an indefinite period, including after the completion of this contract.
3. Not restricted for follow-on or additional EVS provider use. A potential follow-on contractor providing EVS, of similar services to this contract, must have full rights to continue using the assigned UEIs for purposes of uniquely identifying entities to meet requirements set forth by the federal government.
4. Assignable for entities in as near real-time as possible and as part of the initial validation process.
5. Interoperable with the SAM system and data.
6. Not reusing previous (not cancelled) DUNS Numbers or CAGE Codes, assigned to any active or inactive entity in SAM or any awardee in FPDS or USA Spending. The government's APIs or public extracts may be utilized by a contractor to determine the availability of a UEI value.
7. Preferably structured and developed in a manner that limits or avoids mistakes in data entry from human error.
8. Not reused or recycled. Values should be unique and the numbering system should be sufficiently sized to avoid such duplication.

GLEIF response:

GLEIF confirms that each of the above requirements can be met for the GSA Unique Entity Identifier (UEI) system.

For requirement 4, GLEIF proposes that all data elements will be validated and included in the LEI data record upon initial entity registration and updated as necessary as part of ongoing

maintenance. Any further additional information that could assist the federal government in entity information validation could be provided on an ongoing basis.

For example, the LEI Regulatory Oversight Committee (LEI ROC) currently is assessing how corporate actions and events could be captured within the Global LEI System (GLEIS) to provide insight and information on the changes to entities that could result in updates or changes to the reference data in the LEI data records and subsequently be used for research and evaluation by the regulators.

GLEIF also confirms that the expected volume requirements could be met.

GSA Requirement

Contractors must comply with the requirements for standardizing entity addresses and to determine and assign US congressional districts to physical addresses:

GLEIF response:

The LEI data record currently has a standardized template by which address information is collected. GLEIF plans additional work in collaboration with the LEI ROC toward standardizing entity addresses.

The LEI data record currently does not contain assigned US congressional districts to physical addresses. Please see the following response on geocoding that may assist here.

GSA Requirement

Contractors should describe if and how they can pass the geocodes for an entity as part of the validation information returned. Geocodes should be in a machine readable format that can be utilized by the government to precisely locate an entity's physical location.

GLEIF response:

LEI records are geocoded for both, legal address and headquarters address of the legal entity represented. Geocode data available includes for both addresses: Longitude and latitude values, normalized address string, normalized address separated by fields (e.g. mapped street, mapped house number, mapped postal code), date when geocoding was performed, match level (how precise could an address be geocoded: e.g. city, street, house number).

All geocode data can be provided in machine readable format, either XML, JSON, CSV or Excel format. The data can be provided for download in files or via an application programming interface (REST API).

GSA Requirement

Validation of information about an entity to aid awarding officials in making responsibility determination in regard to a prospective awardee and a method to determine relevant information about an entity that is being excluded from doing business with the government

For these on-demand requests for the following information on entities is required to be validated and provided by the contractor:

SAM core data including:

- Entity Structure
- Profit Structure
- Entity Type

Other Information:

- Date of Incorporation
- Number of Employees at Location
- Line of Business (Industry)
- Names of Entity Executives
- Entity Bankruptcy Status
- Entity Convictions
- Tax Liens and Debt Subject to Offset
- Foreign Control or Ownership

GLEIF response:

The LEI data record currently includes the elements of Entity Structure and Entity Type. For the remaining core data and other information (elements highlighted above), GLEIF would need to explore with its LEI issuers if the requirements for on demand requests could be developed and supported for the GSA. So at this time, sample workflows for providing the information for on-demand requests and for ongoing monitoring of this information could not be provided at this time.

GSA Requirement

A method to determine the hierarchy and family tree of an entity

The contractor shall meet this objective by identifying the entity's organizational hierarchy or "family tree," and relationships of registered entities in SAM. This includes, immediate owner and highest level owner, predecessor, subsidiary, parents, and global parents of entities. Relationships between entities applies to entities registering to do business with the government and non-registered related entities.

GLEIF response:

Starting 1 May 2017, the LEI data pool was enhanced to include information on 'who owns whom'. This allows the identification of direct and ultimate parents of a legal entity and, vice versa. For entities that have or acquire an LEI after May 2017, entities registering for or renewing LEIs must report:

- Their 'ultimate accounting consolidating parent': Defined as the highest level legal entity preparing consolidated financial statements
- Their 'direct accounting consolidating parent': Defined as the lowest level legal entity that prepares consolidated financial statements that consolidate the entity

In both cases, identification of the parent is based on the accounting definition of consolidation according to either US GAAP (United States Generally Accepted Accounting Principles), IFRS (International Financial Reporting Standards), or a locally recognized standard.

The LEI issuers verify the relationship information based on public documents if available, or other sources. The information collected is published in the Global LEI System and therefore freely available for public authorities and market participants.

The legal entity may report an exception given it does not have a direct or ultimate parent according to the accounting consolidation standard used or it claims a legal restriction which prevents it from providing information.

It is planned that additional relationship types will be defined over time by the LEI Regulatory Oversight Committee (LEI ROC).

GSA Requirement

Help desk support for entities in ensuring their core data validates in SAM to register to do business with the government and proper information assurance policies and processes are in place to ensure any sensitive or PII is not improperly disclosed.

The contractor shall be able to provide statistics related to the overall service quality and volume of the help desk services being provided.

Examples of statistics desired include:

- Number of Calls
- Number of Abandoned Calls
- Number of Emails Answered
- Average Speed to Answer
- Average Handle Time
- Total Touchpoints - Month/year
- Customer Satisfaction percent

GLEIF response:

The federated system of the LEI ensures support for the above services structured within the operations of the LEI issuers.

GLEIF handles general inquiries received through its info@gleif.org channel. In 2017, GLEIF handles up to 1000 inquires per month received through info@gleif.org.

GSA Requirement

Technical Objectives

- Data transmission is done in real-time for all uniqueness and validation services
- All data is sent in machine readable formats and does not require the government to build custom parsers

- Contractor meets GSA and BSP security requirements for system access to SAM where needed for authenticated activities
- All data is encrypted in transmission and at rest
- Meet Service Level Agreement (SLA) standards/metrics

In order to validate the information of an entity or part of an entity, the government will pass information regarding the entity, and the contractor will pass back information confirming whether or not the information is correct and any discrepancies the contractor knows of.

For on-going monitoring, the contractor may push new or updated information from its system to SAM, or send a notice to SAM to make a pull request from the contractor's system, as the contractor becomes aware of changes or is able to validate additional information. This data will be stored in SAM for government use.

Real time interfaces are preferred to be REST APIs. For non-real time needs, batch transmissions must machine readable and comply with security and data policies.

The specifics regarding data security and storage should be outlined as well.

GLEIF response:

GLEIF's file downloads and API access is provided in real-time and available in machine readable format (files in standard formats XML, JSON, CSV, Excel and application programming interface (REST API) in JSON).

All data access is provided via https encrypted transmission. GLEIF has Service Level Agreements in place to provide services with an availability of 99.9% each month.

LEIs and Legal Entity Reference Data are available publicly at the GLEIF website. The data is protected against unauthorized modifications by several measures:

- Data transferred from LEI Issuers to GLEIF is protected by encrypted https SSL protocol;
- Files transmitted from LEI Issuers to GLEIF are digitally signed with an Extended Validation certificate based on the ITU x.509 – ISO/IEC 9594 standard to ensure authenticity of the source;
- These files are stored in certified data centers (Datacenter Star Audit: 4 Stars) including Automatic DR site replication to protect data against destruction. The data centers have ISO/IEC 27001, ISO20000-1, ISO 50001 and ISO 9001 certifications;
- Only authorized GLEIF staff has access to the data within a defined control framework.

GSA Requirement

Transition Processes

The contractor shall manage the transition in and transition out processes as specified details pages 25 and 26 of the PWS document).

GLEIF response:

The transition process to LEI could be executed in two ways.

The LEI system is based on a self-registration model. The first approach would be for an entity to register for an LEI from an LEI Issuer of its choice. When the validation process is finalized, the LEI is published publicly and available for download and search, as is detailed earlier in this response.

The second approach would handle the transition through a download of entity information of the existing SAM entity records with a process created largely based on the GLEIS Transfer Outs process. The entity information then would be validated and LEIs assigned to the entities already existing in the GSA's records.

GLEIF Comments on the Quality Assurance Surveillance Plan (QASP) for ITSS Solicitation # ID15170001 Entity Validation Services

GLEIF's quality management program includes a set of measurable quality criteria using standards developed by the International Organization for Standardization (ISO). These are criteria such as the completeness, comprehensiveness and integrity of the LEI data records. Instituting a set of defined quality criteria establishes a transparent and objective benchmark to assess the level of data quality within the Global LEI System.

The GLEIF data quality program allows the quality of the LEI data pool (the publicly available information on legal entities identifiable with an LEI) to be monitored, assessed and further optimized. As a result, users across the global market place can easily identify, and benefit from, the continuously increased reliability and usability of the LEI population. Using software developed by GLEIF, the LEI data records made available by the LEI issuing organizations are checked daily against the defined quality criteria. These checks identify whether the data records are consistent and plausible. GLEIF sends a daily report detailing the results of the performance assessment to the LEI issuing organizations. GLEIF currently performs the data quality checks based on the [LEI-Common Data File format version 2.1](#).

In addition, GLEIF has developed a methodology to score the level of LEI data quality. The 'LEI Total Data Quality Score' represents the percentage of all LEI data records that successfully passed checks performed to identify whether the records meet the defined quality criteria during the reporting period. The checks performed by GLEIF are detailed in the document 'Data Quality Rule Setting' (available [here](#)). To continuously improve the GLEIF data quality management program, the checks are refined on an ongoing basis. For each report, the quality of the LEI data pool is assessed by applying the checks as set out in the latest version of the document 'Data Quality Rule Setting'.

The Service Level Agreement between GLEIF and LOU ensure the delivery of the defined services

GLEIF Comments on the Organizational Conflicts of Interest, COI Clauses – GSA

GLEIF is able to comply with the requirements of the COI Clauses.

GLEIF is pleased to submit these comments to the GSA for consideration in the area of Entity Validation Services.

Sincerely,

Stephan Wolf
CEO GLEIF