

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE U	PAGE OF PAGES 1   2
2. AMENDMENT/MODIFICATION NO. 14	3. EFFECTIVE DATE 24-Nov-2010	4. REQUISITION/PURCHASE REQ. NO. N4142110RCF0049	5. PROJECT NO. (If applicable) N/A
6. ISSUED BY FISC Norfolk, Contracting Dept Philadelphia 700 Robbins Avenue, Bldg. 2B Philadelphia PA 19111-5083	CODE N00189	7. ADMINISTERED BY (If other than Item 6) DCMA Manassas 10500 BATTLEVIEW PARKWAY, SUITE 200 MANASSAS VA 20109-2342	CODE S2404A

International Business Machines Corporation  
6710 Rockledge Drive  
Bethesda MD 20817-1826

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code)	9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NO. N00178-05-D-4364-EX02
	10B. DATED (SEE ITEM 13) 01-Sep-2006
CAGE CODE 3BXY7	FACILITY CODE 835130485

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

(*)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Level of Effort
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  
SEE PAGE 2

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
[Redacted]		[Redacted] Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
[Redacted] (Signature of person authorized to sign)		BY [Redacted] (Signature of Contracting Officer)	17-Dec-2010

██████████	██████████	██████████████████	██	██
██████████	██	██	██	

**GENERAL INFORMATION**

The purpose of this supplemental agreement is to change the cost ceiling of CLINs 6002 & 6003. The modification will also transfer funding between the CLINs in the amount of ██████████. This funding was placed on the task order within modification 12. CLIN 6002 will have its ceiling and funding decreased from ██████████. CLIN 6003 will have its ceiling and funding increased from ██████████. Accordingly, said Task Order is modified as follows: A conformed copy of this Task Order is attached to this modification for informational purposes only.

The Line of Accounting information is hereby changed as follows:

The total amount of funds obligated to the task is hereby increased from \$ ██████████ ██████████ ██████████.

CLIN/SLIN	Type Of Fund	From (\$)	By (\$)	To (\$)
██████	██████	██████	██████	██████
██████	██████	██████	██████	██████

The total value of the order is hereby increased from \$18,944,207.41 by \$0.00 to \$18,944,207.41.

CLIN/SLIN	From (\$)	By (\$)	To (\$)
████	██████	██████	██████
████	██████	██████	██████

LOA:  
1701804 12TA 250 41421 F 068892 2D CF0049 414210F2521Q

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**SECTION B SUPPLIES OR SERVICES AND PRICES**

CLIN - SUPPLIES OR SERVICES

For Cost Type Items:

Item	Supplies/Services	Qty	Unit	Est. Cost	Fixed Fee	CPFF
1000	Obtain support for Financial Improvement Program for the period 1 Sept 2006 - 31 Aug 2007. (O&MN,N)		1.0 Lot	██████████	██████████	██████████
1001	Obtain support for Financial Improvement Program for the Option I period 1 Sept 2007 - 31 Aug 2008. (O&MN,N)		1.0 Lot	██████████	██████████	██████████
1002	Obtain support for Financial Improvement Program for the Option II period 1 Sept 2008 - 31 Aug 2009. (O&MN,N)		1.0 Lot	\$ ██████████	██████████	██████████
100201	(O&MN,N)					
100202	(O&MN,N)					

For ODC Items:

Item	Supplies/Services	Qty	Unit	Est. Cost
3000	Travel associated with CLIN 1000. \$25,000 (O&MN,N)		1.0 Lot	██████████
3001	ODCs associated with CLIN 1000. \$3,000 (O&MN,N)		1.0 Lot	██████████
3002	Travel associated with CLIN 1001. \$25,000 (O&MN,N)		1.0 Lot	\$ ██████████
3003	ODCs associated with CLIN 1001. \$3,000 (O&MN,N)		1.0 Lot	██████████
3004	Travel associated with CLIN 1002 increased to		1.0 Lot	██████████

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\$85,000. (O&MN,N)

300401 (O&MN,N)

300402 (O&MN,N)

3005 ODCs associated with CLIN 1002.  
\$3,000 (O&MN,N) 1.0 Lot \$ [REDACTED]

For Cost Type Items:

Item	Supplies/Services	Qty	Unit	Est. Cost	Fixed Fee	CPFF
4000	Obtain support for Financial Improvement Program for the Option III period 1 Sept 2009 - 31 Aug 2010. (O&MN,N)		1.0 Lot	[REDACTED]	[REDACTED]	[REDACTED]
4001	Obtain support for Financial Improvement Program for the Option IV period 1 Sept 2010 - 31 Aug 2011. (O&MN,N)		1.0 Lot	[REDACTED]	[REDACTED]	[REDACTED]
400101	Funding in support of CLIN 4001 (O&MN,N)					
400102	Funding in support of CLIN 4001 (O&MN,N)					
4002	Change Order. Obtain support for Financial Improvement Program for the Option IV period 1 Sept 2010 - 31 Aug 2011. Tasks 4.4.5, 4.4.6, 4.4.7 & 4.6.5. (O&MN,N)		1.0 Lot	[REDACTED]	[REDACTED]	[REDACTED]
400201	Funding in support of CLIN 4002. (O&MN,N)					

For ODC Items:

Item	Supplies/Services	Qty	Unit	Est. Cost
6000	Travel associated		1.0 Lot	[REDACTED]

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with CLIN 4000.  
\$80,000 NOT TO  
EXCEED (O&MN,N)

6001 ODCs associated with CLIN 4000. \$8,000 NTE (O&MN,N) 1.0 Lot [REDACTED]

6002 Travel associated with CLIN 4001. \$60,000 NTE (O&MN,N) 1.0 Lot [REDACTED]

600201 Funding in support of CLIN 6002. (O&MN,N)

6003 ODCs associated with CLIN 4001. \$18,000 (O&MN,N) 1.0 Lot [REDACTED]

600301 Funding in support of CLIN 6003 (O&MN,N)

The Level of Effort for this requirement is:

Year	Program Manager	Senior Principal Analyst	Senior Analyst	Mid Analyst	Sr. Technician	Technician	Admin Asst.	Total
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Small Business Subcontracting Plans are required for all large businesses submitting quotes in accordance with FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JUL 05), ALT II and DFARS 252.219-7003 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS) (Apr 96). The Small Business Subcontracting Plan must be included with quote submission. The subcontracting plan will not be an evaluation factor, but will be reviewed for compliance and adequacy.

PAYMENT OF FIXED FEE (COST PLUS FIXED FEE) (FISC DET PHILA) (OCT 1992)

See the below chart for the applicable fixed fee for work performed under this task order provided the required number of hours shown in the below chart are employed by the contractor in performance of this contract. If substantially fewer than the required number of hours shown in the below chart of said services are so employed, the fixed fee shall be equitably reduced to reflect the reduction of work. The Government shall make monthly payments of the fixed fee at the rates of shown in the below chart per direct labor hour invoiced by the contractor. All payments shall be in accordance with the provisions of FAR 52.216-8, "Fixed Fee," and FAR 52.216-7, "Allowable Cost and Payment." The total of all such payments shall not exceed eighty-five (85%) percent of the fixed fee. Any balance of fixed fee due the contractor shall be paid to the Contractor, and any over-payment of fixed fee shall be repaid to the Government by the Contractor, or otherwise credited to the Government at the time of final payment.

Period Hours Fixed Fee Fixed Fee Rate

Base 28,652 \$170,811 \$5.96

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Option I 28,652 169,645 5.92

Option II 28,652 169,106 5.90

Option III 44,012 318,469.07 7.24

Option IV 59,836 437,601.88 7.31

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## SECTION C DESCRIPTIONS AND SPECIFICATIONS

### 1. Background

1.1 The administration has mandated that all Federal government agencies be in compliance with the Chief Financial Officers Act of 1990 as amended by the Government Management Reform Act (GMRA) of 1994. More recently, the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) has embarked on an effort to move toward a “clean” audit opinion on their annual financial statements as quickly as is feasible. The DON has begun an extensive and intensive effort to accomplish this goal. In order to achieve this objective, the DON must strengthen its internal controls and modify systems and business processes associated with finance and accounting operations. The outcome must be consistent quality data that is timely and meaningful for decision makers at all levels of government. A complementary by product of this outcome will be auditable financial statements. As a result of the OUSD(C) Financial Improvement and Audit Readiness (FIAR) effort, the DON has developed a comprehensive Financial Improvement Program (FIP) to include a master deficiency list (MDL) which identifies all the known deficiencies, and a Remediation Action Plan (RAP) to correct these deficiencies. The DON RAP is the basis for the data that is resident in the OUSD(C) FIAR tool and its key milestone plan that was submitted to the Congress in December 2005. The DON RAP will be the basis for the efforts that will be performed over the coming years and is the basis for much of the efforts identified in this performance work statement.

### 2. Objective

2.1 The objective of this performance work statement is to provide contractor support for the planning, execution and oversight of the DON Financial Improvement Program (FIP) as well as selected specific supporting projects, such as oversight of DON problem Disbursements. The DON FIP encompasses efforts at the ASN(FM&C), DON commands and outside organizations such as DFAS and OUSD(C). Efficient and effective communication among and between all these organizations is critical to our success. Contractor support is necessary to oversee a web based communication tool and to facilitate the sharing of data and information and to promote the standardization of processes wherever feasible.

### 3. Scope

3.1 The DON ASN (FM&C) FMO requires contractor support to assist in the planning and oversight of the DON FIP, and the implementation of the actions necessary to execute the RAP. Efforts include managing and monitoring all aspects of the RAP, reporting on the progress of commands, project leads, and contractors as the RAP is developed, executed, and revised based on information from numerous individuals and organizations. In addition, the contractor needs to provide subject matter experts for the efforts associated with specific balance sheet and statement of budgetary resource focus area projects/line items; examples are Military equipment, environmental liabilities, real property, fund balance with treasury, accounts receivables, accounts payables, personnel obligations, cash and other monetary assets, other liabilities, other assets.

4. Tasks: The contractor will provide day-to-day program management support to the ASN(FM&C)FMO with respect to oversight of the entire DON Financial Improvement Program (FIP). Tasks include, but are not limited to, the following specific tasks. The contractor and FMO will prioritize tasks.

#### 4.1 Provide Program Management support for the DON FIP.

4.1.1 Oversee the planning, development, and execution of a comprehensive communication strategy.

4.1.1.1 Maintain, update and upgrade a web-based tool for communication.

4.1.1.2 Participate in/support selected boards and committees.

4.1.1.3 Promote and facilitate face-to-face meetings with DON commands on a regular basis.

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- 4.1.1.4 Host conferences or meetings on an as needed basis.
- 4.1.1.5 Prepare/distribute guidance, newsletters and other forms of written communications.
- 4.1.1.6 Oversee the Integration Team effort.
- 4.1.2 Monitor and report on the progress of the components and projects of the DON FIP.
  - 4.1.2.1 Develop a review process for all sub-parts of the DON FIP.
  - 4.1.2.2 Develop metrics for monitoring progress on a regular basis.
  - 4.1.2.3 Host/organize regular progress reviews with functional and project leads.
  - 4.1.2.4 Identify and promote success measures throughout the DON FIP community and communicate these to all.
- 4.1.3 Provide FIAR support as needed.
  - 4.1.3.1 Maintain the DON RAP within the OUSD(C) FIAR tool.
  - 4.1.3.2 Update the Key Milestone Plans (KMPs) and critical path milestones monthly.
  - 4.1.3.3 Incorporate command input into the DON RAP and FIAR tool.
  - 4.1.3.4 Participate in workgroups and functional meetings for selected focus areas.
- 4.1.4 Amend/revise the MDL and RAP as new and/or additional requirements, deficiencies, actions or tasks are identified and developed.
  - 4.1.4.1 Maintain the MDL and RAP in a database that is flexible enough to meet reporting needs, both internal and external.
  - 4.1.4.2 Assist and support the FMO teams in the execution of the plan.
  - 4.1.4.3 Assist and support DON commands and activities, as they execute the plan.
  - 4.1.4.4 Oversee the Integration Remediation Action Team efforts.
- 4.1.5 Provide finance, accounting, and functional (financial) Subject Matter Expertise.
  - 4.1.5.1 Provide finance and accounting expertise and support for specified segments of the plan, such as the FIAR focus areas and secondary areas mentioned above, plus trading partner issues. Support includes analysis of the issues, development of Plan of Action and Milestones (POA&M) for solutions, and assistance with implementation of solutions.
  - 4.1.5.2 Provide guidance to DON commands for projects under their cognizance.
  - 4.1.5.3 Assist FMO, FIP contractors, and commands to promote the development, standardization, and use of command level statements to the maximum extent feasible.
  - 4.1.5.4 Assist FMO, FIP contractors, and commands to promote validation package review and consolidation efforts.
  - 4.1.5.5 Assist FMO, FIP contractors, and commands to promote implementation of OMB, A-123 requirements to the maximum extent possible with a focus on sustainment. Assist in promoting the deployment of an automated tool if and when one is deemed adequate and selected to address the DON needs.



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4.1.5.6 Assist FMO and FMO contractors with system transition efforts as they relate to and impact the DON FIP, MDL, RAP, and validation package effort.

4.2 Provide program management support for DON problem disbursements.

4.2.1 Maintain and analyze problem disbursement trends by appropriate categories and/or subdivisions.

4.2.2 Develop a comprehensive strategy for the remediation of material unmatched disbursements. Produce a detailed POA&M. Update and maintain the plan as necessary.

4.2.3 Develop and distribute monthly reports on status, trends, and progress.

4.2.4 Develop metrics to monitor and measure progress and performance.

4.2.5 Develop and distribute goals to all DON commands for all categories of problem disbursements. Monitor and review performance against the goals.

4.2.6 Based on the strategy, work with DFAS to distribute selected detailed transactions to commands for resolution on a monthly basis.

4.2.7 Reduce the inflow and eliminate the backlog of transactions through a joint command and DFAS involvement, based on a focused approach.

4.2.8 Assist DON commands with root cause analysis and determine interrelationships between functional areas and systems.

4.2.9 Document processes and procedures necessary for inclusion in development of Navy Enterprise Resource Planning (ERP).

4.2.10 Conduct process reviews to identify best business practices to be implemented across Navy commands and/or DFAS sites.

4.3 Provide prompt pay interest payment support.

4.3.1 Review and analyze prompt payment trends monthly.

4.3.2 Provide status reports monthly.

4.3.3 Address problems and issues raised by FMO and DON commands as needed.

4.3.4 Interface with FMO contractor on prompt pay interest tool as needed.

4.3.5 Deployment and initial maintenance of DON policy, process and internal control activity related to key DON business processes impacting the SBR.

4.3.6 Part-time resource, with understanding of BTA and various DOD Acquisition business processes, to augment existing audit readiness subject matter.

4.3.7 Research, develop means to gather metrics and provide the capability and guidance to routinely capture and report the metric.

**Additional effort**

The following shall be added to the existing Performance Work Statement:

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Task 4.4. DFAS Cleveland FIP Support.

4.4.1 Document the General Fund and Working Capital Fund Collections and Disbursements process (formerly known as Fund Balance with Treasury).

4.4.2 Develop procedures to manage problem disbursements as it relates to Collections and Disbursements process.

4.4.3 Document General Fund and Working Capital Fund Financial Reporting business process.

4.4.4 Support DFAS Cleveland in meeting DON's FIP and A-123 requirements, including FIP Plan development and maintenance.

4.4.5 Deployment and initial maintenance of DON policy, process and internal control activity related to key DON business processes impacting the SBR.

4.4.6 Part-time resource, with understanding of BTA and various DOD Acquisition business processes, to augment existing audit readiness subject matter.

4.4.7 In response to FIAR office issuing new guidance regarding metrics to provide insight into progress of ongoing audit readiness initiatives for the SBR. Research, develop means to gather metrics and provide the capability and guidance to routinely capture and report the metric.

**ADDITIONAL EFFORT OPTIONS III AND IV (Modification 07)**

**4.5 Support of DFAS**

4.5.1 Document the General Fund and Working Capital Fund Collections and Disbursements process (formerly known as Fund Balance with Treasury).

4.5.2 Develop procedures to manage problem disbursements as it relates to Collections and Disbursements process.

4.5.3 Document General Fund and Working Capital Fund Financial Reporting business process.

4.5.4 Support DFAS Cleveland in meeting DON's FIP and A-123 requirements, including FIP Plan development and maintenance.

**4.6 Support of USMC audit of SBR**

4.6.1 .Provide Marine Corps financial statement audit assessment and coordination support via the proper collection, analysis, reconciliation and remediation of accounting reports, source documentation, and the control procedures supporting Statement on Auditing Standards (SAS) No. 106, "Audit Evidence."

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4.6.2. Coordinate, as appropriate, joint transaction-level document collection, analysis and reconciliation with Marine Corps Commands/Activities, the Defense Finance and Accounting Service (DFAS), the Inspector General of the Department of Defense (DoDIG), the Independent Public Accountant (IPA), and other stakeholders in support of Marine Corps financial statement audit efforts.

4.6.3. Develop and/or update financial statement audit assessment metrics that demonstrate audit requirements and response/performance across all impacted Marine Corps Commands/Activities and external stakeholders (e.g., DFAS, DON, Defense Logistics Agency (DLA), Business Transformation Agency (BTA), etc.).

4.6.4. Provide financial statement audit liaison support for audit risk and general computer control assessments impacting the Marine Corps Business Enterprise.

4.6.5. Accelerated analysis and audit readiness assessment of DON's quarterly and annual financial statements. Provide insight to DON management and framework for substantive testing as part of the overall SBR.

#### **4.7 General PP&E support**

4.7.1 Develop and maintain detailed FIP plan to reach auditability.

4.7.2 Develop, pre-populate (with existing data), coordinate, and tabulate results of General Equipment Gap Analysis Questionnaire.

4.7.3 Analyze data field requirements of existing systems within the Procure-to-pay/Acquire to Retire property segment. Provide recommendations for streamlining/automating process.

4.7.4 Assist in coordinating working group meetings, developing presentations, and disseminating working group message.

4.7.5 Assist in coverage of higher level meetings with OSD FIAR directorate, Tri Domain, Auditors, and other parties as required.

4.7.6 Assist in developing guidance as it applies to Procure-to-pay/Acquire to Retire property segment.

4.7.7 Provide monthly report on actions completed.

#### 5. Estimated Level of Effort (LOE)

5.1 To meet these objectives, the contractor shall provide personnel must have financial, accounting or auditing background with functional and technical knowledge of and possess experience in Federal government laws, regulations and guidance associated with financial management and audited financial statements, especially as they relate to DoD and DON organizations, accounting and finance operations (both general fund and Working Capital fund), and finance and accounting policies and procedures.

5.2 Labor Category: Program Manager

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5.2.1 Experience: Ten years of management experience including at least seven years experience in various aspects of Federal and/or DoD financial/accounting operations.

5.3 Labor Category: Sr. Principal Analyst

5.3.1 Experience: Ten years of management experience including at least seven years experience in various aspects of Federal and/or DoD financial, accounting or financial auditing operations.

5.4 Labor Category: Sr. Analyst

5.4.1 Experience: Ten years of management analyst experience in finance, accounting or auditing. Sr. Analysts should have at least five years experience in various aspects of DoD financial, accounting or financial auditing operations.

5.5 Labor Category: Mid Analyst

5.5.1 Experience: Five years of management analyst experience, and at least three years experience in various aspects of DoD financial/accounting operations.

5.6 Labor Category: Sr. Technician

5.6.1 Experience: Five years experience participating in general business services and related projects.

5.7 Labor Category: Technician

5.7.1 Experience: Three years experience participating in general business services and related projects.

5.8 Labor Category: Administrative Assistant

5.8.1 Experience: One year of administrative support or file clerk experience.

## 6. Quality Surveillance and Performance Standards

6.1 The government will conduct quality surveillance via various methods including formal and informal meetings, review of technical reports, review of monthly and weekly status reports and review of deliverables. Contractor will submit a Quality Assurance Plan to the COR. The plan shall include the contractor's process for managing performance in a safe, efficient, and quality manner. The level of surveillance will be established by the COR to give the Government the necessary assurance that the requirements of the PWS are being met and that a process exists and is in place to ensure quality.

6.2 Contractor performance will be evaluated in the areas of performance (technical quality), schedule and cost.

6.2.1 Performance Metric:

6.2.1.1 The Government defines successful services as those that conform to the task description provided in the Performance Work Statement (PWS) with little or no rework required of the contractor.

6.2.1.2 Unsuccessful services are defined as those that do not conform to the task description provided in the PWS and require significant rework by the contractor at the direction of the Government.

6.2.2 Schedule Metric

6.2.2.1 Successful delivery is defined as delivery of the Contract Data Requirements List (CDRL) 95% of the time.

6.2.2.2 Unsuccessful delivery is defined as delivery of the CDRL less than 95% of the time.

6.2.3 Cost Metric (Earned Value Management (EVM)):

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6.2.3.1 Successful cost control is defined as performance of the PWS within the amount of funds allotted on the order. If the contractor's actual expenditures on a monthly basis exceed the budgeted amount for expenditures, the contractor must (1) provide an explanation why the budget was exceeded and (2) provide an explanation of adjustments that will ensure completion of the work within the ceiling of the contract, in order to receive a successful assessment of performance.

6.2.3.2 Unsuccessful cost control is defined as exceeding the funding allotted on the order or exceeding the original ceiling of the order due to reasons not attributable to the Government. Furthermore, on monthly basis, if the Government is not notified of budgetary overruns, reasons for their occurrence, and steps the contractor is taking to ensure completion of the work within the ceiling of the order, the contractor will receive an unsuccessful assessment of performance.

7. Contract Data Requirements List (CDRL). The following are required CDRLs. Contractor format is acceptable, however the government reserves the right to review the format.

7.1 Monthly status report. Task 4.1 through 4.3. A consolidated report, summarized by task is acceptable. The contractor shall prepare and deliver, on a monthly basis, a cumulative status report and a funds and man-hour expenditure report of all work accomplished to date under the task order. The report will address the contractor's assessment of their performance in terms of outcomes and value. The report will provide a summary of the tasks and their current status in the following terms; Green – G – no concerns, Yellow – Y – potential issues, and Red – R – significant issues.

7.1.1 Quality Assurance Plan. Task 6.1 Contractor will submit a Quality Assurance Plan to the COR 30 days after issuance of the task order. The plan shall include the contractor's process for managing performance in a safe, efficient, and quality manner.

7.2 Audit Committee Newsletter. Task 4.1.1.5.

7.3 FIAR KMP Status Report. Task 4.1.3.

7.4 DON FIP Plan Update to FIAR Tool. Task 4.1.3.

7.5 DON FIP Briefing Material. Task 4.1 through 4.3.

7.6 Validation and CLS Matrix. Task 4.1.

7.7 Problem Disbursement Root Cause and Trend Analysis. Task 4.2.

7.8 Problem Disbursement Command Goals. Task 4.2.

7.9 Problem Disbursement Status Reports. Task 4.2.

7.10 Problem Disbursement Remediation Action Plan. Task 4.2.

7.11 Prompt Pay Interest Status Report with Metrics. Task 4.3.

7.12 POA&M – DON Problem Disbursements. Task 4.2.

**Additional Deliverables.**

7.13 General Fund and Working Capital Fund Collections and Disbursements FIP documentation, to include: process flows and narratives; risk analyses; test procedures; and internal control assessments.

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7.14 General Fund and Working Capital Fund Financial Reporting FIP documentation, to include: process flow and narratives; risk analyses; test procedures; and internal control assessments.

7.15 Validation Packages for General Fund and Working Capital Fund for Disbursements, Collections, and Financial Reporting.

8. Place of Performance. Work will be performed predominantly in the FMO workspaces at the Washington D.C. Navy Yard. However, due to space constraints, the contractor will be provided a limited number of spaces. The balance of employees will need to work at contractor facilities.

9. Government Furnished Information, Systems, Space, Facilities.

9.1 The contractor is allowed government furnished information as required and as approved by the FMO Program Manager.

10.2 The government will provide a limited number of workspaces, and administrative supplies, telephones, computers, and access to printers, FAX machines, and copiers for this task. Navy Marine Corps Intranet (NMCI) access is provided at government sites, access to NMCI at the contractor's facility will not be provided.

10. Security and Privacy Act Requirements.

10.1 Security. A visitor's request for every contractor employee must be prepared and submitted to OASN (FM&C) (FMO) no later than three business days in advance of working on-site at OASN (FM&C)(FMO). The visitor's request must include the contract number, duration of performance of contract, and the following information on each contractor: full name, date of birth, place of birth, social security number, and clearance status. The visitor's request must also include a statement that a background check has been performed on each contractor employee. Access to the Washington Navy Yard requires a Common Access Card, which can be issued upon arrival to OASN (FM&C) (FMO). Access to other Federal buildings may require a special badge or a federal employee as an escort. Contractors are responsible for performing security clearances necessary for access to government buildings. Contractors are responsible for all required passes and badges prior to commencing performance.

10.2 The work performed relative to the tasking in this performance work statement is unclassified, and will require contractor personnel to have access to Privacy Information. Contractor personnel shall adhere to the Privacy Act, Title of the U.S. Code 552a and applicable DoD rules and regulations.

11. Travel may be required to attend meetings and conferences.

#### **ADDITIONAL EFFORT MODIFICATION 06**

The following is hereby added to the Performance Work Statement:

##### 1. Additional Background

1.1 A vital component of the DON FIP is the testing of internal controls. As the DON FIP has progressed it has become evident that the commands do not have sufficient expertise in this area to accomplish the goals of the DON FIP. In addition, OSD Comptroller recently issued guidance that requires DON to perform quarterly testing and validation of the values that are reported as Global War on Terror Cost of War (GWOT CoW). This direction from OSD is a direct result of intense scrutiny from the Congress, OMB, and GAO on the reporting process and controls inherent in DoD's GWOT CoW. FMO has been assigned to perform the required validation and evaluation of the processes, procedures, and systems that are used to produce the GWOT CoW values. As a result, additional efforts with a greater audit focus are needed to support the FMO FIP PMO in this endeavor.

##### 2. Additional Objectives

2.1. The objective of this modification to the Performance Work Statement (PWS) is to provide testingsupport

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for GWOT specifically and the DON FIP overall. As the FIP documents business process, reengineers work flows, identifies risks, and corrects weaknesses, there is a requirement to develop internal control test strategies, build internal control test descriptions and methodologies, perform control testing, document test results, and analyze test results; using generally accepted statistical sampling techniques or other sampling techniques as needed, in order to provide assurance that processes are working as intended and that processes and corresponding internal controls provide assurance over financial reporting. Internal control testing also is a means of ensuring that new processes are sustained over the long term.

### 3. Additional Effort

3.1. As the DON FIP documents an end-to-end business process, or a business segment, or a process within a business segment, an internal controls testing program will have to be developed, implemented, and documented. This testing program may occur at different levels: at a major command level, across the DON financial management community, at a specific field activity, as well as involve testing of controls in other organizations and communities. Development of the internal controls testing program and performance of testing must be closely coordinated with the DON FIP Program Management Office in order to ensure that a particular testing program is developed and implemented when required for a particular process or business segment.

4.0 The following Tasks are added:

4.5 Provide internal controls testing for GWOT and other processes and segments.

4.5.1 Develop high level test strategies that will apply to any process or segment.

4.5.2 Develop detailed test plans, strategies, descriptions, and methodologies for particular processes or segments.

4.5.3 Perform control testing, document test results, and analyze test results.

4.5.4 Revise and refine test strategies, plans, and methodologies as applicable.

4.5.5 Develop statistically valid testing methodologies, or other valid non-statistical methodologies, that can be implemented and performed by command personnel.

7. The following Deliverables are added:

7.1 Monthly status report. Task 4.1 through 4.3 and Task 4.5. A consolidated report, summarized by task is acceptable. The contractor shall prepare and deliver, on a monthly basis, a cumulative status report and a funds and man-hour expenditure report of all work accomplished to date under the task order. The report will address the contractor's assessment of their performance in terms of outcomes and value. The report will provide a summary of the tasks and their current status in the following terms; Green – G – no concerns, Yellow – Y – potential issues, and Red – R – significant issues.

7.16 High level internal control test strategies applicable to any process or segment. Task 4.5.1

7.17 Detailed internal control test plans to support a particular process or segment. Refine test plans as needed. Task 4.5.2 and Task 4.5.4

7.18 Performance of internal control testing, documentation of results, and analysis of results. Task 4.5.3

7.19 Development of internal control testing methodologies that can be performed by command personnel. Task 4.5.5

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## **SECTION D PACKAGING AND MARKING**



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## SECTION E INSPECTION AND ACCEPTANCE

This Quality Assurance Surveillance Plan (QASP) supports the performance-based services for task orders under the Financial Improvement Program (FIP) support contract.

### 1.0 Introduction

This Quality Assurance Surveillance Plan (QASP) has been developed in accordance with the Performance Work Statement (PWS). This plan sets forth procedures and guidelines that will be used in evaluating the performance by the contractor.

The purpose of the QASP is to provide the Government's Contracting Officer Representative (COR) a method of surveillance for the services required in the PWS. The QASP provides the means to evaluate whether the contractor is meeting the performance objectives stated in the PWS.

The QASP will be used primarily as a tool to verify that the contractor has implemented a quality control process, which provides the quality of output the Navy deems necessary in the performance of the required services. The contractor is the owner of the quality control process and is responsible for developing, implementing, and modifying procedures that will produce the desired outcomes and result in performance of work within the required standards.

Contractor will submit a Quality Assurance Plan to the COR. The plan shall include the contractor's process for managing performance in a safe, efficient, and quality manner. The level of surveillance will be established by the COR to give the Government the necessary assurance that the requirements of the PWS are being met and that a process exists and is in place to ensure quality. If, during the course of this surveillance, the COR discovers the service provider is not complying with the established level of quality, the level of surveillance may be increased. If performance exceeds standards, surveillance may be decreased.

### 2.0 Methods of Surveillance

Surveillance methods will vary according to the service being monitored. The Government's intent is to minimize the level of Government involvement and allow the contractor to responsibly perform, or exceed, the contract standards.

The primary methods of surveillance to monitor performance of this contract are:

**Performance:** The Contracting Officer's Representative (COR) will measure the contractor's performance by assessing the quality of the services delivered by the contractor. Examples of services delivered include, but are not limited to, briefings, studies, and reports provided in accordance with the Contract Data Requirements List.

**Cost:** Earned Value Management (EVM) metrics (cost metrics) will be used to achieve cost requirements. The Contracting Officer's Representative (COR) will review monthly cost vouchers to monitor the contractor's expenditures in comparison to the contractor's proposed budget throughout the contract performance.

**Schedule:** The Contracting Officer's Representative (COR) will determine whether the contractor has met the schedule through the use of the due dates for receipt of deliverables through the Contract Data Requirements List (CDRL), which is located at Attachment A.

There are three levels of surveillance:

Level I – Reduced: applied in the case of exceptional contractor performance.

Level II – Normal: applied to good, but not exceptional, contractor performance. This level is to be used when the contract is first implemented.

Level III – Increased: applied in the case of poor contractor performance.

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The COR will make quality assurance evaluation results known to the Contracting Officer and to the contractor, who are responsible for taking appropriate action. The COR will evaluate the contractor's performance as stated in the PWS and will maintain a file for historical data.

The contractor will have a quality assurance program in place to monitor their performance, provide feedback on their performance, to provide guidance on corrective actions to problems that arise, and to maintain an audit trail of incidents and issues.

When the contractor's response is likely to correct a problem that arises, the COR should recommend to the Contracting Officer that further government action will not be required with the exception of an increased level of surveillance.

If the contractor's response is not likely to correct a problem that arises, then the COR will explain why the solution is not adequate and recommend action by the government.

### 3.0 Performance Measurements

#### 3.1 Performance Metric:

- The Government defines successful services as those that conform to the task description provided in the Performance Work Statement (PWS) with little or no rework required of the contractor.
- Unsuccessful services are defined as those that do not conform to the task description provided in the PWS and require significant rework by the contractor at the direction of the Government.

3.2 Schedule Metric – Successful delivery is defined as delivery of the Contract Data Requirements List 95% of the time. Unsuccessful delivery is defined as delivery of the CDRL less than 95% of the time.

#### 3.3 Cost Metric (Earned Value Management (EVM)):

- Successful cost control is defined as performance of the PWS within the amount of funds allotted on the order. If the contractor's actual expenditures on a monthly basis exceed the budgeted amount for expenditures, the contractor must (1) provide an explanation why the budget was exceeded and (2) provide an explanation of adjustments that will ensure completion of the work within the ceiling of the contract, in order to receive a successful assessment of performance.
- Unsuccessful cost control is defined as exceeding the funding allotted on the order or exceeding the original ceiling of the order due to reasons not attributable to the Government. Furthermore, on monthly basis, if the Government is not notified of budgetary overruns, reasons for their occurrence, and steps the contractor is taking to ensure completion of the work within the ceiling of the order, the contractor will receive an unsuccessful assessment of performance.

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## SECTION F DELIVERABLES OR PERFORMANCE

### CLIN - DELIVERIES OR PERFORMANCE

The periods of performance for the following Items are as follows:

1000	9/1/2006 - 8/31/2007
1001	9/1/2007 - 8/31/2008
1002	9/1/2008 - 8/31/2009
3000	9/1/2006 - 8/31/2007
3001	9/1/2006 - 8/31/2007
3002	9/1/2007 - 8/31/2008
3003	9/1/2007 - 8/31/2008
3004	9/1/2008 - 8/31/2009
3005	9/1/2008 - 8/31/2009
4000	9/1/2009 - 8/31/2010
4001	9/1/2010 - 8/31/2011
4002	9/1/2010 - 8/31/2011
6000	9/1/2009 - 8/31/2010
6001	9/1/2009 - 8/31/2010
6002	9/1/2010 - 8/31/2011
6003	9/1/2010 - 8/31/2011

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## SECTION G CONTRACT ADMINISTRATION DATA

### Point of Contact

The contracting office point of contact is [REDACTED] Code 280.1D Philadelphia Division Contracting Department FISC Norfolk who may be reached at [REDACTED] or by email at [REDACTED]

### CLAUSES INCORPORATED BY FULL TEXT

### SUP 5252.232-9402 INVOICING AND PAYMENT (WAWF) INSTRUCTIONS (April 2008)

(a) Invoices for goods received or services rendered under this contract shall be submitted electronically through Wide Area Work Flow -- Receipt and Acceptance (WAWF):

(1) The vendor shall have their cage code activated by calling 866-618-5988. Once activated, the vendor shall self-register at the web site <https://wawf.eb.mil>. Vendor training is available on the Internet at <http://www.wawftraining.com>. Additional support can be obtained by calling the NAVY WAWF Assistance Line: 1-800-559-WAWF (9293).

(2) WAWF Vendor "Quick Reference" Guides are located at the following web site: <http://www.acquisition.navy.mil/navyaos/content/view/full/3521>.

(3) Select the invoice type within WAWF as specified below. Back up documentation (such as timesheets, receiving reports etc.) can be included and attached to the invoice in WAWF. Attachments created in any Microsoft Office product are attachable to the invoice in WAWF. Total limit for each file is not to exceed 2MB. Multiple attachments are allowed.

(b) The following information, regarding invoice routing DODAAC's, must be entered for completion of the invoice in WAWF:

	<i>Routing Table</i>
<i>WAWF Invoice Type</i>	COST VOUCHERS
Contract Number	N00178-05-D-4364
Delivery Order Number	EX02
Issuing Office DODAAC	N00189
Admin Office DODAAC	S2404A
Inspector DODAAC (usually only used when Inspector & Acceptor are different people)	N41421 – Juan Arratia
Service Approver DODAAC (Cost Voucher)	HAA661
DCAA Office DODAAC (Used on Cost Voucher's only)	HAA661

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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## SECTION H SPECIAL CONTRACT REQUIREMENTS

Special Contracting Requirements shall be in accordance with Section H of the IDIQ contract.

APPOINTMENT OF CONTRACTING OFFICER'S REPRESENTATIVE (FISC DET PHILA) (OCT 1992)

(a) The Contracting Officer hereby designates the following individual as Contracting Officer's Representative(s) (COR) for this task order:

Gil Gardner

NAME CODE

████████████████████

EMAIL ADDRESS

████████████████████

TELEPHONE NUMBER

(b) In the absence of the COR named above, all responsibilities and functions assigned to the COR shall be the responsibility of the alternate COR acting on behalf of the COR. The Contracting Officer hereby appoints the following individual as the alternate COR:

\_\_\_\_\_ N/A \_\_\_\_\_

NAME CODE

\_\_\_\_\_

MAIL ADDRESS

\_\_\_\_\_

TELEPHONE NUMBER

(c) The COR will act as the Contracting Officer's representative for technical matters, providing technical direction and discussion as necessary with respect to the specification or statement of work, and monitoring the progress and quality of contractor performance. The COR is not an Administrative Contracting Officer and does not have authority to take any action, either directly or indirectly, that would change the pricing, quantity, quality, place of performance, delivery schedule, or any other terms and conditions of the task order, or to direct the accomplishment of effort which goes beyond the scope of the statement of work in the task order.

(d) It is emphasized that only a Contracting officer has the authority to modify the terms of the task order, therefore, in no event will any understanding, agreement, modification, change order, or other matter deviating from the terms of the task order between the contractor and any other person be effective or binding on the Government. When/if, in the opinion of the contractor, an effort outside the existing scope of the task order is requested, the contractor shall promptly notify the PCO in writing. No action shall be taken by the contractor under such direction unless the PCO or ACO has issued a contractual change or otherwise resolved the issue.

ORGANIZATIONAL CONFLICT OF INTEREST



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As a condition of award, the contractor's eligibility for future prime contract or subcontract awards may be restricted; therefore, the solicitation contains this proposed clause that specifies both the nature and duration of the proposed restraint.

NOTE: See the Section L Provision, NOTICE OF INCLUSION OF ORGANIZATIONAL CONFLICT OF INTEREST CLAUSE, for more information.

(a) Purpose. This clause seeks to ensure that the contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this task order, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) that relate to the work under this task order.

(b) Scope. The restrictions described herein shall apply to performance or participation by the contractor (as defined in paragraph (d)(7)) in the activities covered by this clause.

(1) The restrictions set forth in paragraph (e) apply to supplies, services, and other performance rendered with respect to the suppliers and/or equipment listed in the Technical Direction Letters. Technical Direction Letters issued under the task order will specify to which suppliers and/or equipment subparagraph (e) restrictions apply.

(2) The financial, contractual, organizational and other interests of contractor personnel performing work under this task order shall be deemed to be the interests of the contractor for the purposes of determining the existence of an Organizational Conflict of Interest. Any subcontractor that performs any work relative to this task order shall be subject to this clause. The contractor agrees to place in each subcontract affected by these provisions the necessary language contained in this clause.

(c) Waiver. Any request for waiver of the provisions of this clause shall be submitted in writing to the Procuring Contracting Officer. The request for waiver shall set forth all relevant factors including proposed contractual safeguards or job procedures to mitigate conflicting roles that might produce an Organizational Conflict of Interest. No waiver shall be granted by the Government with respect to prohibitions pursuant to access to proprietary data.

(d) Definitions. For purposes of application of this clause only, the following definitions are applicable:

(1) "System" includes system, major component, subassembly or subsystem, project, or item.

(2) "Nondevelopmental items" are as defined in FAR 2.101.

(3) "Systems Engineering" (SE) includes, but is not limited to, the activities in FAR 9.505-1(b).

(4) "Technical direction" (TD) includes, but is not limited to, the activities in FAR 9.505-1(b).

(5) "Advisory and Assistance Services" (AAS) are those services acquired from non-governmental sources to support or improve agency policy development or decision making; or, to support or improve the management of organizations or the operation of hardware systems. Such services may encompass consulting activities, engineering and technical services, management support services and studies, analyses and evaluations.

(6) "Consultant" services are as defined in FAR 31.205-33(a).

(7) "Contractor," for the purposes of this clause, means the firm signing this task order, its subsidiaries and affiliates, joint ventures involving the firm, any entity with which the firm may hereafter merge or affiliate, and any other successor or assignee of the firm.

(8) "Affiliates" means officers or employees of the prime contractor and first tier subcontractors involved in the program and technical decision making process concerning this task order.

(9) "Interest" means organizational or financial interest.

(10) "Weapons system supplier" means any prime contractor or first tier subcontractor engaged in, or having a known prospective interest in the development, production or analysis of any of the weapon systems, as well as any

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major component or subassembly of such system.

(e) Contracting restrictions. [Check the restrictions that apply]

(1) To the extent the contractor provides systems engineering and/or technical direction for a system or commodity but does not have overall contractual responsibility for the development, the integration, assembly and checkout (IAC) or the production of the system, the contractor shall not (i) be awarded a task order to supply the system or any of its major components or (ii) be a subcontractor or consultant to a supplier of the system or of its major components. The contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem, or major component utilized for or in connection with any item or other matter that is (directly or indirectly) the subject of the systems engineering and/or technical direction or other services performed under this task order for a period of three years after the date of completion of the task order. (FAR 9.505-1(a))

(2) To the extent the contractor prepares and furnishes complete specifications covering nondevelopmental items to be used in a competitive acquisition, the contractor shall not be allowed to furnish these items either as a prime contractor or subcontractor. This rule applies to the initial production task order, for such items plus a specified time period or event. The contractor agrees to prepare complete specifications covering non-developmental items to be used in competitive acquisitions, and the contractor agrees not to be a supplier to the Department of Defense, subcontract supplier, or a consultant to a supplier of any system or subsystem for which complete specifications were prepared hereunder. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of these systems of their subsystems extends for a period of [insert the period of prohibition] after the terms of this task order. (FAR 9.505-2(a)(1))

(3) To the extent the contractor prepares or assists in preparing a statement of work to be used in competitively acquiring a system or services or provides material leading directly, predictably and without delay to such a work statement, the contractor may not supply the system, major components thereof or the services unless the contractor is the sole source, or a participant in the design or development work, or a contractor involved in preparation of the work statement. The contractor agrees to prepare, support the preparation of or provide material leading directly, predictably and without delay to a work statement to be used in competitive acquisitions, and the contractor agrees not to be a supplier or consultant to a supplier of any services, systems or subsystems for which the contractor participated in preparing the work statement. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of any services, systems or subsystems extends for a period of [insert the period of prohibition] after the terms of this task order. (FAR 9.505-2(a)(1))

(4) To the extent work to be performed under this task order requires evaluation of offers for products or services, a task order will not be awarded to a contractor that will evaluate its own offers for products or services, or those of a competitor, without proper safeguards to ensure objectivity to protect the Government's interests. Contractor agrees to the terms and conditions set forth in the Statement of Work that are established to ensure objectivity to protect the Government's interests. (FAR 9.505-3)

(5) To the extent work to be performed under this task order requires access to proprietary data of other companies, the contractor must enter into agreements with such other companies which set forth procedures deemed adequate by those companies (i) to protect such data from unauthorized use or disclosure so long as it remains proprietary and (ii) to refrain from using the information for any other purpose other than that for which it was furnished. Evidence of such agreement(s) must be made available to the Procuring Contracting Officer upon request. The contractor shall restrict access to proprietary information to the minimum number of employees necessary for performance of this task order. Further, the contractor agrees that it will not utilize proprietary data obtained from such other companies in preparing proposals (solicited or unsolicited) to perform additional services or studies for the United States Government. The contractor agrees to execute agreements with companies furnishing proprietary data in connection with work performed under this task order, obligating the contractor to protect such data from unauthorized use or disclosure so long as such data remains proprietary, and to furnish copies of such agreement to the Contracting Officer. Contractor further agrees that such proprietary data shall not be used in performing for the Department of Defense additional work in the same field as work performed under this task order if such additional work is procured competitively. (FAR 9.505-4(b))

(6) Preparation of Statements of Work or Specifications. If the contractor under this task order assists substantially in the preparation of a statement of work or specifications, the contractor shall be ineligible to perform or participate in any capacity in any contractual effort (solicited or unsolicited) which is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or

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specifications unless so directed in writing by the Contracting Officer, in which case the restrictions in this subparagraph shall not apply. Contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem or major component utilized for or in connection with any item or work statement prepared or other services performed or materials delivered under this task order, and is procured on a competitive basis, by the Department of Defense with one (1) year after completion of work under this task order. The provisions of this clause shall not apply to any system, subsystem, or major component for which the contractor is the sole source of supply or which it participated in designing or developing. (FAR 9.505-4(b))

[X] (7) Advisory and Assistance Services (AAS). If the contractor provides AAS services as defined in paragraph (d) of this clause, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts. Furthermore, unless so directed in writing by the Contracting Officer, the contractor shall not perform any such work under this task order on any of its products or services, or the products or services of another firm for which the contractor performs similar work. Nothing in this subparagraph shall preclude the contractor from competing for follow-on contracts for AAS.

(f) Remedies. In the event the contractor fails to comply with the provisions of this clause, such noncompliance shall be deemed a material breach of the provisions of this task order. If such noncompliance is the result of conflicting financial interest involving contractor personnel performing work under this task order, the Government may require the contractor to remove such personnel from performance of work under this task order. Further, the Government may elect to exercise its right to terminate for default in the event of such noncompliance. Nothing herein shall prevent the Government from electing any other appropriate remedies afforded by other provisions of this task order, or statute or regulation.

(g) Disclosure of Potential Conflicts of Interest. The contractor recognizes that during the term of this task order, conditions may change which may give rise to the appearance of a new conflict of interest. In such an event, the contractor shall disclose to the Government information concerning the new conflict of interest. The contractor shall provide, as a minimum, the following information:

(1) a description of the new conflict of interest (e.g., additional weapons systems supplier(s), corporate restructuring, new first-tier subcontractor(s), new task order) and identity of parties involved;

(2) a description of the work to be performed;

(3) the dollar amount;

(4) the period of performance; and

(5) a description of the contractor's internal controls and planned actions, to avoid any potential organizational conflict of interest.

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## SECTION I CONTRACT CLAUSES

Note: All provisions of Section I of the basic contract apply to this task order (unless otherwise specified in the task order) plus the following (provided in full text):

### 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2006)

(a) The Contractor shall comply with agency personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, and Federal Information Processing Standards Publication (FIPS PUB) Number 201. (b) The Contractor shall insert this clause in all subcontracts when the subcontractor is required to have physical access to a federally-controlled facility or access to a Federal information system.

### 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this task order by written notice to the Contractor prior to task order expiration provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 1 day prior to task order expiration. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended task order shall be considered to include this option clause.

(c) The total duration of this task order, including the exercise of any options under this clause, shall not exceed 5 years.

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## SECTION J LIST OF ATTACHMENTS

Non disclosure statement

CDRLs