



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-3000

OFFICE OF THE CHIEF PROCUREMENT OFFICER

October 31, 2006

To All Interested Parties:

You are invited to submit a proposal in response to Request for Proposal (RFP) R-OPC-23053-Final for HUD Integrated Financial Management Improvement Project (HIFMIP). For this solicitation, HUD is pursuing a public/private, full and open, best value competition. Your attention is directed to section M.2 of the solicitation. This section contains a mandatory pass/fail criterion. The attached solicitation contains an eighteen (18) month base period, eight (8) twelve month option periods, and one (1) six month option period. We anticipate the award of a **Fixed Price (FP)** contract with firm fixed unit prices to the successful offeror.

Please read the attached RFP carefully and complete and submit all required documents. The closing date for receipt of proposal is **January 8, 2007**. It is critical to HUD to make the award within the second quarter of 2007. Therefore, we do not anticipate extending the proposal due date beyond **January 8, 2007**. Questions relating to the RFP must be submitted no later than 10 calendar days after release of the solicitation. HUD will consider all questions and comments for possible incorporation into subsequent amendments. We will only review feedback that is submitted in the form of written questions and comments.

Potential offerors are advised to submit pricing information that permits HUD to receive an acceptable, fully operational turnkey, Fixed Price solution for the base and each option period of the resulting contract/interagency agreement. HUD expects the final negotiated Fixed Price will include all personnel, equipment, supplies and services necessary to fully and completely implement, and deliver an acceptable HIFMIP solution from beginning to end. During contract performance, HUD shall not be obligated to increase the resulting contract/interagency agreement price for additional costs the contractor did not propose and/or failed to include in the final negotiated fixed price.

Please follow the instructions in Section L of the RFP when preparing your Executive Summary, Mission Capability and Past Performance, Small Business Participation, Documentation and Price Proposal. These documents should be submitted in separate volumes as requested in Section L.17. The volumes should be marked to indicate which ones are copies and originals. Missing or incomplete data may result in the elimination of an offer from further consideration. Fax or e-mail submissions will not be accepted. Proposals received after the due date will be rejected.

Many clauses listed in the solicitation are incorporated by reference using FAR citations. Offerors are responsible for familiarizing themselves with all contract requirements, including those merely cited. FAR clauses may be reviewed on the Internet at <http://www.arnet.gov>

Prospective offerors should be aware that the HUD building is a secure building. All visitors **must**

enter at the North and South Lobbies. Visitors will be required to walk through a metal detector, have all belongings screened by an x-ray system, show valid picture identification, and sign the visitor's log. Guards will telephone the visitor's contact prior to allowing entry. These procedures will require extra time; therefore, offerors must ensure that any commercial delivery service or company employee has appropriate identification, and allow extra time for any hand carried deliveries. Delays encountered at the security guard desk or refusals of admission **DO NOT** constitute excusable delays. Proposals must be in the designated place no later than the exact time specified in the solicitation to be considered for award. Responses must be clearly marked with the RFP No., R-OPC-23053-Final on the face of the mailing envelope.

This RFP does not commit the Government to pay any costs for the preparation and submission of a proposal. The Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with this proposed acquisition.

Requests for information concerning this RFP should be referred to Ms. Jennifer T. Johnson at [Jennifer T. Johnson@HUD.gov](mailto:Jennifer.T.Johnson@HUD.gov).

<b>SOLICITATION, OFFER AND AWARD</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE	OF	
2. CONTRACT NO.		3. SOLICITATION NO. R-OPC-23053-FINAL		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED 10/31/06	
7. ISSUED BY: U.S. Department of Housing & Urban Development Office of the Chief Procurement Officer (OCPO) IT & Financial Support Division (NOI) 451 7 <sup>th</sup> Street, SW Washington, D.C. 20410		CODE		8. ADDRESS OFFER TO (If other than Item 7)			
6. REQUISITION/PURCHASE NO. R-2005-AY-00472		PAGE		OF		1 1 PAGES	

NOTE: In sealed bid solicitations, "offer" and "Offeror" mean "bid" and "bidder".

**SOLICITATION**

9. Sealed offers in **original** and 9 copies for furnishing the supplies or services in the schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in \_\_\_\_\_ until 4:00 PM local time 01/08/07

(Hour) (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: Section L, Provision No. 52.214-7 or 52.215-1.  
All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME Jennifer T. Johnson	B. TELEPHONE NO. (NO COLLECT CALLS) (202) 708-0614 x 3034	C. E-MAIL ADDRESS Jennifer_T._Johnson@HUD.GOV
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**OFFER (Must be fully completed by offeror)**

NOTE: Item 12 does not apply if the solicitation includes the provision at 52.214-16, Minimum Bid Acceptance Period  
12. In compliance with the above, the undersigned agrees, if this offer is accepted within \_\_\_\_\_ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)	10	CALENDAR DAYS	20	CALENDAR DAYS	30	CALENDAR DAYS	CALENDAR DAYS
14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of the amendments to the SOLICITATION for offerors and related documents numbered and dated:	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
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15B. TELEPHONE NO. (Include area code)	<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE	17. SIGNATURE	18. OFFER DATE
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**AWARD (To be completed by Government)**

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION <input type="checkbox"/> 10 U.S.C.2304 (c) (x )   <input type="checkbox"/> 41 U.S.C. 253 (c) ( )	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM	
24. ADMINISTERED BY (If other than Item 7) CODE	25. PAYMENT WILL BE MADE BY CODE		
26. NAME OF CONTRACTING OFFICER (Type or print) Robert B. Wissman	27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. AWARD DATE	

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official notice.

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

**B.1 DESCRIPTION OF SERVICES OR SUPPLIES**

The contractor shall furnish all personnel, services and equipment as required to fully perform all specified tasks described in Attachment 1 and Section C, Statement of Objectives.

**B.2 CONTRACT TYPE**

**This is a Fixed Price (FP) contract type with firm fixed unit prices. It is understood that the negotiated Fixed Price (FP) for the base and each option periods are inclusive of all costs necessary to implement and fulfill an acceptable HIFMIP solution as described in the contractor's Performance Work Statement. Further, it is also understood that the Government may not be obligated to increase the Fixed Price of this contract for additional costs the contractor failed to propose and include in order to fully deliver a complete, acceptable, fully integrated and workable HIFMIP solution that meets the stated objectives of this procurement.**

**B.3 PRICE SCHEDULE**

As total compensation for services performed in accordance with the terms, conditions, and specification stated herein, the contractor will be paid the negotiated prices for services provided.

**B.4 CONTRACT LINE ITEMS**

The U.S. Department of Housing and Urban Development (HUD) will issue a Fixed Price contract for this requirement. The contract schedule will establish the total price of the work to be performed, and the price(s) for each Contract Line Item(s) (CLINs) contained herein and that is appropriate to perform the work defined in the Government's Statement of Objectives (SOO) (See Attachment 1) and the Contractor's approved Performance Work Statement (PWS). (See Section C of the contract.)

**B.5 CONTRACT SCHEDULE**

**B.5.1. BASE – (DURATION: 18 months from date of award)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
0001	Project Management		18 mos.		
0002	Hosting for ICFS		18 mos.		
0003	System Integration (OCFO)		1 lot		
*0004 0004A 0004B	Hosting for FHA Hosting - Migration Hosting - FHA Sustainment		1 lot 6 mos.		
0005	Software Acquisition (including procurement of new or additional licenses)		1 lot		

Funding Identifier. To be inserted by the Government upon contract award.  
The Fixed-Price (FP) is inclusive of all CLINs identified in the schedule above.

NOTE: \*CLIN 0004 - Hosting for FHA. Transitioning activities related to Hosting for FHA shall be completed to support a 04/01/08 cutover of production operation. During the base period, the anticipated performance period for this CLIN is 04/01/08 through 09/30/08.

**B.5.1 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).** During the contract base, the Government may purchase the CLINs identified below, contingent upon the availability of funds, changing technology requirements or as warranted by labor market change. These CLINs are separately priced and are exclusive of the Fixed Price above.

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
0006	Business Process Improvement /Enhancements (includes New Reports, New Business Processes & Special Features)		1 lot **TBD by Government Small Medium Large Substantial	_____ _____ _____ _____	TBD by Government
0006A	Custom System or Report Change		1 lot **TBD by Government		**TBD by Government

\*Funding Identifier. To be inserted by the Government upon contract award.

\*\*TBD = To Be Determined during contract performance.

**Definitions:** The definitions set forth below shall govern during the contract base and each subsequent option period (if exercised by the Government) throughout the life of the contract, unless modified by the Contracting Officer.

(1). **Small Report Change.** Requires 1 to 80 hours preparation time, including testing and migration.

(2). **Medium Report Change.** Requires 81-160 hours preparation time, including testing and migration.

(3). **Large Report Change.** Requires 161-320 hours preparation time, including testing and migration

(4). **Small System Change** (database actions, processes or controls). Requires 1 to 80 hours preparation time, including testing and migration.

(5). **Medium System Change** (database actions, processes or controls). Requires 81 to 160 hours preparation time, including testing and migration.

(6). **Large System Change** (database actions, processes or controls). Requires 161 to 320 hours preparation time, including testing and migration.

(7). **Substantial System or Report Change** (database actions, processes or controls). Requires 321 to 480 hours preparation time, including testing and migration.

(8). **Custom System or Report Change.** To be precisely defined at the time the Government contemplates acquisition of the services. If the Government requires these services, the Contracting Officer will issue a modification to the contractor.

**B.5.2 OPTION PERIOD 1 (DURATION: 12 months)**

<b>CLIN</b>	<b>DESCRIPTION</b>	<b>FUNDING IDENTIFIER</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL PRICE</b>
1001	Project Management		12 mos.		
1002	ICFS Hosting & Integration				
1002A	Pre FHA Integration		1 lot		
1002B	Post FHA Integration		1 lot		
1004	Hosting & Integration for FHA				
1004A	FHA Hosting/Sustainment pre ICFS Integration		1 lot		
1004B	ICFS Hosting for FHA Integration		1 lot		
1004C	FHA System Integration		1 lot		
1005	Software Acquisition (including procurement of new and additional licenses)		1 lot		

Funding Identifier to be inserted by the Government upon exercise of the option.

**B.5.2 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

<b>CLIN</b>	<b>DESCRIPTION</b>	<b>FUNDING IDENTIFIER</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL PRICE</b>
1006	Business Process Improvement/ Enhancements includes New Reports, New Business Processes & Special Features		1 lot **TBD Small Medium Large Substantial	_____ _____ _____ _____	
1006A	Custom System or Report Change		<b>1 lot</b> <b>**TBD</b>	<b>**TBD</b>	<b>**TBD</b>

**B.5.3. OPTION PERIOD 2 (DURATION: 12 months)**

<b>CLIN</b>	<b>DESCRIPTION</b>	<b>FUNDING IDENTIFIER</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL PRICE</b>
2001	Project Management		12 mos.		
2005	Software Acquisition (including procurement of additional or new licenses)		1 lot		
2008	ICFS Sustainment per the SLA		12 mos.		

**B.5.3 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

<b>CLIN</b>	<b>DESCRIPTION</b>	<b>FUNDING IDENTIFIER</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL PRICE</b>
2006	Business Process Improvement/Enhancements includes New Reports, Business Processes & Special Features		1 lot **TBD		
2006A	Custom System or Report Change		Small Medium Large Substantial	_____ _____ _____ _____	
			<b>1 lot</b> <b>** TBD</b>		<b>**TBD</b>
2009	Ginnie Mae Hosting & Integration				
2009A	ICFS Hosting for Ginnie Mae Integration		1 lot		
2009B	ICFS Hosting Post Ginnie Mae System Integration		12 months		
2009C	Ginnie Mae Integration		1 lot		

**B.5.4 OPTION PERIOD 3 (DURATION: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
3001	Project Management		12 mos.		
3008	ICFS Sustainment per the SLA		12 mos.		

**B.5.4 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
3005	Software Acquisition (including procurement of additional or new licenses)		1 lot		
3006	Business Process Improvement/Enhancements includes New Reports, New Business Processes, & Special Features		1 lot Small Medium Large Substantial	_____ _____ _____ _____	
3006A	Custom System or Report Change		1 lot **TBD	TBD	

**B.5.5 OPTION PERIOD 4 (DURATION: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
4001	Project Management		12 mos.		
4008	ICFS Sustainment per the SLA		12 mos.		

**B.5.5 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
4005	Software Acquisition (including procurement of new and additional licenses)		1 lot		
4006	Business Process Improvement/Enhancements includes New Reports, New Business Processes, Special Features		1 lot **TBD Small Medium Large Substantial	_____ _____ _____ _____	
4006A	Custom System or Report Change		1 lot **TBD	**TBD	

**B.5.6 OPTION PERIOD 5 (Duration: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
5001	Project Management		12 mos.		
5008	ICFS Sustainment per the SLA		12 mos.		

**5.6 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
5005	Software Acquisition (including procurement of new and additional licenses)		1 lot		
5006	Business Process Improvement/Enhancements includes New Reports, New Business Processes & Special Features		1 lot **TBD Small Medium Large Substantial	_____ _____ _____ _____	
5006A	Custom System or Report Change		1 lot **TBD	**TBD	

**B.5.7 OPTION PERIOD 6 (Duration: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
6001	Project Management		12 mos.		
6008	ICFS Sustainment per the SLA		12 mos.		

**B.5.7 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
6005	Software Acquisition (including procurement of new and additional licenses)		1 lot		
6006	Business Process Improvement/Enhancements includes New Reports, New Business Processes, & Special Features		1 lot **TBD		
6006A	Custom System or Report Change	**TBD	Small Medium Large Substantial 1 lot **TBD	_____ _____ _____ _____	

**B.5 8 OPTION PERIOD 7 (Duration: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
7001	Project Management		12 mos.		
7008	ICFS Sustainment per the SLA		12 mos.		

**B.5.8 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
7005	Software Acquisition (including new and additional licenses)		1 lot		
7006	Business Process Improvement/Enhancements includes New Reports, New Business Processes, Special Features		1 lot. **TBD Small Medium Large Substantial	_____ _____ _____ _____	
7006A	Custom System or Report Change		1 lot **TBD	**TBD	

**B.5.9 OPTION PERIOD 8 (Duration: 12 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
8001	Project Management		12 mos.		
8008	ICFS Sustainment per the SLA		12 mos.		

**B.5.9 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
8005	Software Acquisition (including acquisition for new and additional licenses)		1 lot		
8006	Business Process Improvement/Enhancements includes New Reports, New Business Processes & Special Features		1 lot **TBD Small Medium Large Substantial	_____ _____ _____ _____	
8006A	Custom System or Report Change		1 lot **TBD	**TBD	

**B.5.10 OPTION PERIOD 9 (Duration: 6 months)**

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
9001	Project Management		6-mos.		
9008	ICFS Sustainment the SLA		6-mos.		

**B.5.10 (a) OPTIONAL CONTRACT LINE ITEMS (CLINs).**

<b>CLIN</b>	<b>DESCRIPTION</b>	<b>FUNDING IDENTIFIER</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL PRICE</b>
9005	Software Acquisition (including procurement of new and additional licenses)		1 lot		
9006	Business Process Improvement/Enhancements includes New Reports, New Business Processes & Special Features		1 lot **TBD		
9006A	Custom System or Report Change		Small Medium Large Substantial 1 lot **TBD	_____ _____ _____ _____ **TBD	

**B.6 0. ADDITIONAL OPTIONAL CONTRACT LINE ITEMS (CLINs).** The Government may purchase the CLINs identified below, contingent upon the availability of funds, changing technology requirements or as warranted by labor market change. The Government may order the services identified below at any time during the life of the resulting contract/Interagency Agreement. However, the contractor shall separately price the CLINs below and shall be prepared to deliver work required under these CLINs upon the Contracting Officer issuance of a modification.

CLIN	DESCRIPTION	FUNDING IDENTIFIER	QUANTITY	UNIT PRICE	TOTAL PRICE
X001	Retire Hyperion Reporting		1 lot		
X002	OFHEO Hosting & System Integration				
X002A	ICFS Hosting for OFHEO Integration		1 lot		
X002B	ICFS Hosting Post OFHEO System Integration		1 lot		
X002C	OFHEO Integration		1 lot		
X003	COTS Integration		TBD	TBD	TBD
X004	COTS Hosting		TBD	TBD	TBD
X005	Implement Budget Preparation/Formulation Capabilities into ICFS		1 lot		
X006	Financial, Programmatic, and Custom Data Integration		1 lot		
X007	Transition Plan		1 lot		

CLINs X003 and X004 - When the Government identifies the need for these CLINs, the Contractor will be notified of the requirement and provided sufficient time to respond to the Government's need. The Contracting Officer and the Contractor will negotiate the price and the Contracting Officer will issue a modification to the contract.

**SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF OBJECTIVES (SOO)**

The contractor shall furnish all the necessary services, qualified personnel, material, equipment, and facilities, as needed to perform the Statement of Objectives (SOO), see Section J, Attachment no. 1.

NOTE: THE GOVERNMENT WILL INCORPORATE THE CONTRACTOR'S APPROVED PERFORMANCE WORK STATEMENT (PWS), GOVERNMENT QUALITY ASSURANCE SURVEILLANCE PLAN, CONTRACTOR'S QUALITY CONTROL PLAN, AND SERVICE LEVEL AGREEMENTS UPON CONTRACT AWARD.

**C.1 CONTRACTOR'S APPROVED PERFORMANCE WORK STATEMENT (TO BE INCORPORATED AT TIME OF AWARD).** The contractor's approved Performance Work Statement (PWS) and any subsequent modifications thereto shall be considered Government Property. The document(s) shall not contain any language that limits or restricts the Government's use of such documents or the ideas contained therein in either original or derivative forms. Consistent with all such uses, however, the Government will otherwise use reasonable care to safeguard these documents. Provided, however, that nothing in the Government's assertion of its rights shall preclude contractor from making whatever reasonable, commercial uses of such documents and/or the ideas contained therein as it shall deem necessary and/or prudent from its perspective.

**C.2 GOVERNMENT QUALITY ASSURANCE SURVEILLANCE PLAN (TO BE INCORPORATED AT TIME OF AWARD).** The contractor's approved Quality Assurance Surveillance Plan (QASP) and any subsequent modifications thereto shall be considered Government Property. The document(s) shall not contain any language that limits or restricts the Government's use of such documents or the ideas contained therein in either original or derivative forms. Consistent with all such uses, however, the Government will otherwise use reasonable care to safeguard these documents. Provided, however, that nothing in the Government's assertion of its rights shall preclude contractor from making whatever reasonable, commercial uses of such documents and/or the ideas contained therein as it shall deem necessary and/or prudent from its perspective.

**C.3 CONTRACTOR'S APPROVED QUALITY ASSURANCE PLAN (TO BE INCORPORATED AT TIME OF AWARD).** The contractor's approved Quality Assurance Plan (QAP) and any subsequent modifications thereto shall be considered Government Property. The document(s) shall not contain any language that limits or restricts the Government's use of such documents or the ideas contained therein in either original or derivative forms. Consistent with all such uses, however, the Government will otherwise use reasonable care to safeguard these documents. Provided, however, that nothing in the Government's assertion of its rights shall preclude contractor from

making whatever reasonable, commercial uses of such documents and/or the ideas contained therein as it shall deem necessary and/or prudent from its perspective.

#### **C.4 APPROVED SERVICE LEVEL AGREEMENTS**

(TO BE INCORPORATED AT TIME OF AWARD). The contractor's approved Service Level Agreements (SLAs) and any subsequent modifications thereto shall be considered Government Property. The document(s) shall not contain any language that limits or restricts the Government's use of such documents or the ideas contained therein in either original or derivative forms. Consistent with all such uses, however, the Government will otherwise use reasonable care to safeguard these documents. Provided, however, that nothing in the Government's assertion of its rights shall preclude contractor from making whatever reasonable, commercial uses of such documents and/or the ideas contained therein as it shall deem necessary and/or prudent from its perspective.

#### **C.5 HUD OPERATING ENVIRONMENT OVERVIEW**

HUD envisions continuing the transition of its core legacy systems into the PeopleSoft Commercial Off the Shelf (COTS) suite of financial management modules to produce an integrated turnkey infrastructure system. The integration of the PeopleSoft COTS financial management modules will support HUD's planned enterprise architecture and provide for "integrated financial management" for the Department. HUD expects the system to address a growing need for better integration of program, financial and budgetary information to support more efficient and effective management of its major program areas, program monitoring offices and processing centers, and support staff and organizations. It is anticipated that the HIFMIP Integrated Core Financial Management Solution (ICFMS) shall consist of one or more commercially available products with limited or no custom development. The contractor shall not propose any software currently in development or in testing. The contractor's product approach must also meet the following four core elements:

- The deployment of the PeopleSoft Financial Management Commercial Off the Shelf web-based system to replace HUD's core accounting system and general ledger.
- Implementation at a Shared Service Provider (SSP) (public/private) as defined by the Office of Management and Budget (OMB) in the Financial Management Line of Business (FMLOB) Migration Planning Guidance Document.
- The management and successful migration of HUD's financial requirements for budget execution, funds control, commitments/reservations, obligations, accounts payable, accounts receivable, costs and financial reporting.
- Installation, operation, maintenance and support of the software application, application patches and service packs.

The contractor shall deploy a business management process to manage the total work effort associated with deploying the HIFMIP solution and to provide the services required in the Statement of Objectives.

## **C.6 EVOLUTION OF PEOPLESOFT SOFTWARE AT HUD**

In 2000, HUD conducted a competitive procurement for the acquisition of the PeopleSoft Commercial-Off-the-Shelf (COTS) suite of financial management modules to replace its present legacy system on an enterprise, HUD-wide basis. This competition resulted in the award of Task Order No. C-OPC-21771 under GSA FSS schedule contract GS-35F-4401G to PeopleSoft USA, Inc. To date, HUD has invested substantially in acquiring and implementing PeopleSoft software for its Federal Housing Administration-Subsidiary Ledger (FHA-SL) and Ginnie Mae programs. Under this solicitation (R-OPC-23053) for the HUD Integrated Financial Management Improvement Project (HIFMIP), it is our intent to continue transitioning HUD's remaining offices into the PeopleSoft COTS suite of financial management modules.

## **C.7 STANDARDS AND GUIDELINES**

Standards and guidelines that apply to the PWS are listed in the chart that follows. The Contractor shall comply with these mandatory standards and guidelines in the implementation and hosting of the ICFMS. The Contractor shall comply with the latest version of any applicable standard and except in the most exceptional cases, such compliance shall be provided at no additional cost to the Government.

Document Number	Title	Released
HUD Handbook 2400.24 (latest revision)	HUD's ADP Security Program	Nov 99
40 U.S.C. 759 note	Computer Security Act	1987
OMB Circular A-130 (34 FR 6428)	"Security of Federal Automated Information Resources" (Appendix III)	Feb 96
Special Publication 800-12	"An Introduction to Computer Security: The NIST Handbook"	Dec 95
PDD-63	"Critical Infrastructure Protection"	May 98
FISMA	Federal Information Security Management Act	Dec 02
Special Publication 800-37	"Guide for the Security Certification The NIST Handbook"	June 03
Special Publication 800-30	"Risk Management Guide for Information Technology Systems The NIST Handbook"	June 03
Handbook 1325.01, REV-01	Privacy Act Handbook	Sept 1995

Document Number	Title	Released
	Federal Managers' Financial Integrity Act (FMFIA) <a href="http://www.whitehouse.gov/omb/financial/fmfia1982.html">http://www.whitehouse.gov/omb/financial/fmfia1982.html</a>	1982
	Chief Financial Officers Act <a href="http://www.gao.gov/special.pubs/af12194.pdf">http://www.gao.gov/special.pubs/af12194.pdf</a>	1990
	Federal Credit Reform Act <a href="http://www.fms.treas.gov/ussgl/creditreform/fcratoc.html">http://www.fms.treas.gov/ussgl/creditreform/fcratoc.html</a>	1990
	Government Performance and Results Act (GPRA) <a href="http://www.whitehouse.gov/omb/mgmt-gpra/gplaw2m.html">http://www.whitehouse.gov/omb/mgmt-gpra/gplaw2m.html</a>	1993
	Federal Accounting Standards Advisory Board, Statement of Federal Financial Accounting Standards (SFFAS) Number 2-Accounting for Direct Loans and Loan Guarantees <a href="http://www.fasab.gov/pdffiles/sffas-2.pdf">http://www.fasab.gov/pdffiles/sffas-2.pdf</a>	
OMB Circular No. A-123	Management Accountability and Control <a href="http://www.whitehouse.gov/omb/circulars/a123/a123.html">http://www.whitehouse.gov/omb/circulars/a123/a123.html</a>	June 21, 1995
	Joint Financial Management Improvement Program, Core Financial System Requirements <a href="http://www.jfmip.gov">www.jfmip.gov</a>	February 1999
	Joint Financial Management Improvement Program, Direct Loan System Requirements <a href="http://www.jfmip.gov">www.jfmip.gov</a>	June 1999
OMB Circular No. A-127	Policies and Standards for Financial Management Systems <a href="http://www.whitehouse.gov/omb/circulars/a127/a127.html">http://www.whitehouse.gov/omb/circulars/a127/a127.html</a>	Sept 12, 1999
OMB Circular No. A-11	Preparation, Submission and Execution of the Budget <a href="http://www.whitehouse.gov/omb/circulars/a11/04toc.html">http://www.whitehouse.gov/omb/circulars/a11/04toc.html</a>	Revisions through July 2004
	HUD Enterprise Architecture Policy <a href="http://www.hud.gov/offices/cio/ea/index.cfm">www.hud.gov/offices/cio/ea/index.cfm</a>	Oct 25, 1999
	HUD's System Development Methodology (SDM) <a href="http://www.hud.gov/offices/cio/sdm/index.cfm">http://www.hud.gov/offices/cio/sdm/index.cfm</a>	
JFMIP SR-02-02	Acquisition/Financial System Interface Requirements	June 2002
	HUD Cost/Benefit Analysis Methodology, Volume I - Methodology	
	HUD Cost/Benefit Analysis Methodology, Volume II - Workbook	
PL 105-277, Title MVII	<i>Government Paperwork Elimination Act</i> <a href="http://www.whitehouse.gov/omb/fedreg/gpea2.html">http://www.whitehouse.gov/omb/fedreg/gpea2.html</a>	Oct 21, 1998
PL 105-220, Title IV, 408(b)	Section 508 of the Rehabilitation Act of 1998	
40 U.S.C. 759	<i>Computer Security Act</i>	1987
	Joint Financial Management Improvement Program, Guaranteed Loan System Requirements <a href="http://www.jfmip.gov">www.jfmip.gov</a>	Mar 2000

Document Number	Title	Released
	Federal Housing Administration, Office of the Comptroller, Subsidiary Ledger Detailed Functional requirements	April 7, 2000
	Federal Accounting Standards Advisory Board, Statement of Federal Financial Accounting Standards (SFFAS) Number 18-amendments to Accounting Standards for Direct Loans and Loan Guarantees <a href="http://www.fasab.gov">http://www.fasab.gov</a>	May 2000
OMB Circular No. A-130	Management of Federal Information Resources	Nov. 28, 2000
64 FR 10896	Federal Register , "Proposed Implementation of the Government Paperwork Elimination Act"	Mar 5, 1999
GAO/AIMD-00-33	"Information Security Risk Assessment Practices of Leading Organizations"	Nov 1999
OMB Memorandum 99-20	"Security of Federal Automated Information Resources"	Jun 23, 1999
OMB Circular A-11	Part 3, "Planning, Budgeting, and Acquisition of Capital Assets"	
OMB Circular A-130	"Security of Federal Automated Information Resources" (Appendix III) (see also 34 FR 6428)	Feb 20, 1996
OMB	"Access With Trust"	Sept 1998
NIST Special Publication 800-14	"Generally Accepted Principles and Practices for Securing Information Technology Systems"	Sep 1996
NIST Special Publication 800-12	"An Introduction to Computer Security: The NIST Handbook"	Dec 1995
NIST Special Publication 800-9	"Good Security Practices for Electronic Commerce, Including Electronic Data Interchange"	Dec 1993
US SGL	United States Standard General Ledger <a href="http://www.fms.treas.gov/ussgl/">http://www.fms.treas.gov/ussgl/</a>	
Fed-GAAP	Federal-based GAAP Compliant Summary Transactions <a href="http://www.fasab.gov">www.fasab.gov</a>	
SF-224	Statement of Transactions Report <a href="http://www.fms.treas.gov">www.fms.treas.gov</a>	
General Accounting Office, GAO-02-45	HUD MANAGEMENT: Progress Made on Management Reforms, but Challenges Remain	October 2001
Public Law 106 & 107	Compliance with CFO Council Interagency plan for Implementation	
	Federal Financial Management Improvement Act of 1996 <a href="http://www.whitehouse.gov/omb/financial/fm_systems.html">http://www.whitehouse.gov/omb/financial/fm_systems.html</a>	
	Debt Collection Improvement Act of 1996 <a href="http://www.whitehouse.gov/omb/memoranda/m9803.html">http://www.whitehouse.gov/omb/memoranda/m9803.html</a>	
OMB Circular A-125	OMB Circular A-125, Prompt Pay	
	Federal Accounting Standards Advisory Board (FASAB) Statement 4 Managerial Cost Accounting Concepts and Standards <a href="http://www.fasab.gov">http://www.fasab.gov</a>	

Document Number	Title	Released
	OMB Memorandum M-97-2 Funding Information System Investments <a href="http://clinton3.nara.gov/OMB/memoranda/m97-02.html">http://clinton3.nara.gov/OMB/memoranda/m97-02.html</a>	
IEEE Standard 1362-1998	IEEE Guide for Information Technology-System Definition-Concept of Operation (ConOps) document	1998
SAS-70	Statement of Auditing Standards (SAS) No. 70 developed by the American Institute of Certified Public Accountants (AICPA)	
FISCAM	Federal Information System Controls Audit Manual Volume I – Financial Statement Audits <a href="http://www.gao.gov">http://www.gao.gov</a>	January 1999

## **C.8 SAFEGUARDING OF INFORMATION**

Unless otherwise specified, all government-origin or provided information or data which is produced, or otherwise made available to the contractor during its performance of this contract shall be considered confidential and proprietary and shall not be used for any purpose other than the performance of the work under this contract. Similarly, any contractor work product which contains such government-origin or provided information or data shall not be shared with anyone or any group without the express written permission of the GTR/GTM. Regardless of the form of such information or data, the contractor shall not disclose or allow disclosure of any such information, data or derivatives, except as may be expressly authorized and required in the performance of this contract. All information and data received and/or processed by contractor during the life of this contract shall be returned to the GTR/GTM at the completion of the contract.

### **C.8.1 PRIVACY ACT**

Work on this project may require personnel to have access to Privacy Information and/or sensitive but unclassified information (for example, pre-decisional budget information). Personnel shall adhere to the requirements of the Privacy Act, Title 5 of the U.S. code, Section 552a and applicable agency rules and regulations. In dealing with such data, personnel may be required to execute non-disclosure agreements on a case-by-case basis, depending upon the need to access sensitive budget information.

### **C.8.2 DOCUMENTS INCORPORATED BY REFERENCE**

This document references other documents that present and explain HUD's standards and guidelines governing work under the contract. Additionally, the documents listed in the table below also apply.

Document No. / URL	Title
HUD Handbook 3250.01	Business Process Improvement Handbook
<a href="http://www.hud.gov">www.hud.gov</a>	HUD Internet Website
<a href="http://www.hud.gov/offices/cio/sdm/index.cfm">http://www.hud.gov/offices/cio/sdm/index.cfm</a>	HUD System Development Methodology
PL 105-220, Title IV, 408(b)	Section 508 of the Rehabilitation Act of 1998

## C.9 SECTION 508 REQUIREMENTS

All electronic and information technology (EIT) procured through this contract/order must meet the applicable accessibility standards at 36 CFR 1194. 36 CFR 1194 implements Section 508 of the Rehabilitation Act of 1973, as amended, and is viewable at: <http://www.access-board.gov>.

The law applies to all Federal agencies when they develop, procure, maintain, or use electronic and information technology. Under Section 508 (29 U.S.C. § 794d), agencies must give disabled employees and members of the public access to information that is comparable to the access available to others. Failure of an agency to purchase electronic and information technology that complies with the standards promulgated at 36 CFR part 1194, may result in an individual with a disability filing a complaint alleging that a Federal agency has not complied with the applicable standards. Individuals may also file a civil action against an agency. The enforcement provision of section 508 takes effect for contracts issued on or after June 21, 2001. As part of this contract, therefore, the contractor agrees to abide by this law and to ensure that all information created or used under this contract conforms to the above requirements.

Electronic and Information Technology (EIT) is defined as, any equipment or interconnected system or subsystem of equipment, which is used in the creation, conversion, or duplication of data or information. The term electronic and information technology includes, but is not limited to, telecommunications products (such as telephones), information kiosks and transaction machines, World Wide Web sites, multimedia, and office equipment such as copiers and fax machines.

The contractor shall indicate for each line item in the schedule whether each product or service is compliant or non-compliant with the accessibility standards at 36 CFR 1194. Further, the proposal must indicate where full details of compliance can be found through a voluntary product accessibility template (VPAT) or other means (e.g., vendor's website or other exact locations).

The contractor shall ensure that all deliverables meet Departmental Section 508 standards, including 1194.31, Functional Performance Criteria, and 1194.41, Information Documentation, and Support. In order to comply with these Section 508 standards, the contractor shall submit all soft copies in a format that will be readable by JAWS (HUD's standard screen reader). All embedded charts, graphs, pictures, etc., must be accessible and readily comprehensible through a screen reader. To view the entire text of 36 CFR Part 1194, go to [www.section508.gov](http://www.section508.gov) or [www.access-board.gov](http://www.access-board.gov) and for 48 CFR Subpart 39.2 go to [www.arnet.gov](http://www.arnet.gov).

The contractor shall ensure that all web sites and applications are compliant with Section 508 standards.

If any changes/amendments are made to the existing Section 508 standards, the contractor shall ensure that any updates or technical refreshes will apply on the first date of the following option year.

## **SECTION D**

### **PACKAGING AND MARKING**

#### **D.1 AS 501 ENVIRONMENTALLY SAFE PACKAGING (NOV 1997)**

The Offeror or Contractor shall package non-breakable deliverables (reports, proposals, studies, etc.) using environmentally safe packaging materials (e.g., recycled paper). The packaging methods shall be in accordance with the best commercial practices and provide adequate protection during shipping and handling.

#### **D.2 PRESERVATION, PACKAGING AND PACKING**

a. Packaging and marking of all deliverables shall be in accordance with the best commercial practice necessary to ensure safe and timely delivery at destination, in accordance with the applicable security requirements.

b. All data and correspondence submitted to the Contracting Officer (CO) or the Government Technical Representative (GTR) shall reference the contract number, report title and number, and the name of the Contracting Officer or Specialist as appropriate. A copy of all correspondence sent to the GTR by the Contractor for any task shall also be provided to the CO.

#### **D.3 INITIAL PACKING, MARKING, AND STORAGE OF EQUIPMENT**

All initial packing, marking and storage incidental to shipping of equipment to be provided under this contract shall be made Freight on Board Destination (FOB Destination) at the contractor's expense. Such packing, supervision marking and storage costs shall not be billed to the Government. Supervision of packing, and unpacking of initially acquired equipment shall be furnished by the contractor.

#### **D.4 MARKING**

Packages shall be clearly marked as follows:

- a. Name of Contractor;
- b. Contract Number;
- c. Task Title and/or Number;
- d. Description of Items Contained Therein;
- e. CO/GTR/GTM Name and Address; and if applicable, packages containing software or other magnetic media shall be marked on external containers with a notice

substantially as follows: "CAUTION: SOFTWARE/MAGNETIC MEDIA ENCLOSED. DO NOT EXPOSE TO HEAT OR MAGNETIC FIELDS."

#### **D.5 PAYMENT OF POSTAGE AND SHIPPING COSTS**

All postage and shipping costs related to the submission of the information (including reports and forms) required by this contract shall be paid for by the contractor.

#### **D.6 PACKING LIST**

A packing list or other suitable shipping document shall accompany each shipment and shall show:

- (a) Name and address of consignor,
- (b) Name and address of consignee,
- (c) Contract Number (and Delivery Order number if any),
- (d) Government Bill of lading (if any), and
- (e) Description of the material shipped, including item number, quantity, number of containers, and package number if any.

#### **D.7 MARKING OF REPORTS**

All reports containing recommendations to the U.S. Department of Housing and Urban Development shall include the following information on the cover of each report: (a) name and business address of the contractor; (b) contract number; (c) contract dollar amount; (d) whether the contract was subject to full and open competition or a sole source acquisition; (e) name of the Government Technical Representative (GTR) and location; and (f) date of the report.

SECTION E - INSPECTION AND ACCEPTANCE

**E.1 CONTRACT CLAUSES INCORPORATED BY REFERENCE**

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	TITLE	DATE
52.246-2	INSPECTION OF SUPPLIES-FIXED PRICE	AUG 1996
52.246-4	INSPECTION OF SERVICES-FIXED PRICE	AUG 1996

**E.2 HUDAR 2452.246-70 INSPECTION AND ACCEPTANCE (FEB 2006)**

Inspection and acceptance of all work required under this contract shall be performed by the Government Technical Representative (GTR) identified elsewhere in the Schedule or other individual as designated by the Contracting Officer or GTR.

SECTION F – DELIVERIES OR PERFORMANCE

**F.1 CONTRACT CLAUSES INCORPORATED BY REFERENCE**

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	DATE	TITLE
52.245-15	Aug 1989	STOP WORK ORDER
52.242-17	APR 1984	GOVERNMENT DELAY OF WORK
52.247-34	NOV 1991	F.O.B. DESTINATION
52.247-55	JUN 2003	F.O.B. POINT FOR DELIVERY OF GOVERNMENT-FURNISHED PROPERTY

**F.2 HUDAR 2452.211-70 EFFECTIVE DATE AND CONTRACT PERIOD (FEB 2006)**

This contract shall be effective on [To be inserted at award]. The Contractor shall complete all work, including delivery by [date to be inserted at award]. Delivery dates for specific services and deliverables shall be as set forth in the schedule.

**F.3 PERIOD OF PERFORMANCE**

This contract includes one base period with eight (8) twelve month option terms and one six month option. Options will be exercised at the Government’s discretion and as authorized by FAR 17.2. Each of the nine option terms will only be granted upon a favorable review of the Contractor’s performance and validation of continued need and available budget.

Base Year: 18 months from date of contract award.

<u>Option Period</u>	<u>Period of Performance</u>
1	12 months
2	12 months
3	12 months
4	12 months
5	12 months
6	12 months
7	12 months
8	12 months
9	6 months

**F.4 PLACE OF PERFORMANCE**

The Integration work shall be performed primarily at the HUD Headquarters facility located at 451 7<sup>th</sup> Street, SW, Washington, D.C. 20410 or local contractor provided metro rail accessible facilities (defined as not greater than ten (10) minutes walking distance from metro rail station to the designated facilities) within the Washington, DC Metropolitan Area. Hosting services may be provided anywhere within the continental U.S. Additional work may be performed at remote or other field activity locations, including disaster recovery and/or continuity of operations locations.



**G.3 HUDAR 2452.232-70 PAYMENT SCHEDULE AND INVOICE SUBMISSION Working Capital Fund (FIXED-PRICE) (OCT 1999)**

(a) General. The Government shall pay the Contractor as full compensation for all work required, performed and accepted under this contract, inclusive of all costs and expenses, the firm fixed-price(s) stated in the Price Schedule (Section B – Supplies or Services and Prices /Costs).

(b) Payment Schedule. The Government will pay the contractor for each separately priced contract line item number (CLIN), or subdivision of a CLIN (sub-CLIN), upon completion and acceptance (see also clause 2452.246-70, Inspection and Acceptance) of all work required under the CLIN (or sub-CLIN), in accordance with the pricing schedule set forth in Section B, *unless* a partial payment schedule is included in this paragraph. All partial payments are contingent upon the acceptance of all work completed during the period covered by the partial payment.

**[Partial Payment Schedule to be inserted at time of contract award. See Section L.17 Volume 5 (6).]**

(c) Submission of Invoices.

(1) Invoices shall be submitted as follows: original to the Payment Office identified on the award document and one copy each to the Government Technical Representative and Contracting Officer. To constitute a proper invoice, the invoice must include all items required by FAR clause 52.232-25, "Prompt Payment."

(2) The contractor shall include the Invoice Summary Sheet (See Attachment 2) with each invoice. The contractor shall provide all requested information. Failure to provide the information may result in the invoice being returned to the contractor unpaid. The Invoice Summary Sheet is available from HUD's Internet site at: <http://www.hud.gov/offices/cpo/tools/itinvces.cfm>

(c) *Contractor Remittance Information*. The contractor shall provide the payment office with all information required by other payment clauses or other supplemental information (e.g., contracts for commercial services) contained in this contract.

**G.4 PAYMENT ADDRESS**

U.S. Department of Housing and Urban Development  
Fort Worth Accounting Center  
P.O. Box 2905  
Fort Worth, TX 76113-2905

**G.5 GOVERNMENT PROPERTY**

(a). The contractor will be provided the Government Furnished Property (GFP) as shown below on an as-needed basis for performance of this contract, in accordance with Section I, Government Property clauses. All property shall be “as is” “where is” as of the starting date. The contractor shall pay for all packing, packaging and transportation costs from the “where is” location to the Contractor’s designation. At least 30 days prior to the return date, the Contractor shall request the GTR to provide instructions on where and how to return each item. The Contractor shall pay to pack, package and transport each item to the location specified by the GTR at no additional cost to the Government.

(b). In accordance with FAR 45.102, the contractor shall furnish all property required for performing Government contracts. The contractor shall not be required to transfer title to contractor-owned equipment under this contract. However, the contractor shall transfer ownership of any data or software HUD provides as Government Furnished Property (GFP) or any contractor acquired government property data or software.

**G.6 GOVERNMENT FURNISHED PROPERTY/EQUIPMENT AND SOFTWARE**

(a) Except as stated herein, the contractor shall provide all software requirements during the contract period of performance.

(b) The Government shall provide limited workspace for up to ten (10) contractor staff in the HUD or Portals Building, located at 1250 Maryland Avenue, Suite 300, Washington, D.C. 20024. All contractor space shall be clearly marked to avoid any likelihood that contractor personnel could be confused with HUD employees. HUD expects to provide the following equipment:

Number of Items	Equipment Type
10	Desks
10	Telephones
10	Dell Pentium Pro-r PCs, Model Optiplex_GXL_450 (or better, based on availability)

(c) Each of these workstations will use the Windows XP operating system and will be loaded with Microsoft Office 2000 (Word, Excel, and PowerPoint). Each workstation will also have access to HUD’s Lotus Notes email system or Outlook Express as HUD updates its email system. In addition, each workstation will have access to the LAN Printer (HP Laser Jet 5Si/5Si MX PS). The workstations will be connected to the HUD server. These workstations are secured, centrally managed and controlled by HUD.

(d) In addition to contractor’s software provision obligations generally (see subsection a., above), as part of its relevant firm-fixed price CLIN pricing, contractor is expected to provide the licenses for any and all database software needed to implement contractor’s proposed solution. Provided, however, that HUD shall provide access to its limited coverage, existing enterprise PeopleSoft licenses (see Attachment no. 32).

(e) Bolt-ons and/or other COTS software proposed by the Contractor shall be acquired (with pre-approval from the Contracting Officer) by the contractor, consistent with its normal accepted and approved accounting system. HUD considers such property Contractor-Acquired, Government Property. Such property shall be accountable on the Contractor's property inventory.

#### **G.7 COTS SOFTWARE AND WARRANTIES**

It is the Government's preference to use commercial software in achieving the Contractor's described solution. In addition, the Contractor will assign to the Government the commercial off-the-shelf (COTS) warranties that usually accompany the COTS software being provided. If the Contractor determines that COTS software cannot meet a specific HUD need, the Contractor will fully explain in writing the circumstances or requirement that precludes a COTS solution. This explanation shall be provided to the Contracting Officer and a copy provided to the GTR. Agreement by the Contracting Officer shall be obtained prior to satisfying a requirement with a non-COTS solution.

#### **G.8 ALL ITEMS TO BECOME PROPERTY OF THE GOVERNMENT**

Title to all source data and software furnished by the government, together with all plans, system analysis and design specifications and drawings, completed programs and documentation thereof, reports and listings, and all other items pertaining to the work and services to be performed under orders pursuant to this contract, including any copyright shall become and remain with the government upon contract completion. The government shall have the full right to use each of these for its purposes, including but not necessarily limited to derivative use purposes, without compensation or approval on the part of the contractor. Consistent with its original and derivative use rights, the government shall have access to and the right to make copies of the above mentioned items. All proprietary programs shall be indicated as such in individual proposals.

Provided, however, that such Government rights shall not preclude contractor from itself asserting commercial and/or derivative use rights. Contractor's assertion of such rights shall not, however, be interpreted in any manner which would limit the Government's rights.

#### **G.9 AUTHORIZATION OF WORK FOR BUSINESS PROCESS IMPROVEMENT/ENHANCEMENTS (CLINS 0006, 1006, 2006, 3006, 4006, 5006, 6006, 7006, 8006 and 9006)**

The designated Government Technical Representative (GTR) shall authorize the work required under the Contract Line Items (CLINs) listed above in writing. If the parties are unable to reach an agreement, the matter shall be referred to the Contracting Officer for resolution. If resolution cannot be reached through the just-described means, the parties' respective rights shall be determined pursuant to the procedures set forth in the applicable "Disputes" clause.

**G.11 SUBMISSION OF SUBCONTRACTING REPORTS (Oct 1999)**

The Contractor shall submit the Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and SF 295, Summary Subcontract Report, in accordance with the instructions on the forms, except that one copy of each form and any attachments, shall be submitted to:

Director, Office of Small and Disadvantaged Business Utilization  
U. S. Department of Housing and Urban Development  
451 Seventh Street S.W., Room 3130 (SS)  
Washington, DC 20410-1000

**G.12 AS 1301 INCORPORATION OF SUBCONTRACTING PLAN**

The Contractor's approved subcontracting plan, dated (to be determined) is a material part of this contract and is incorporated into the contract as an attachment.

## **SECTION H - SPECIAL CONTRACT REQUIREMENTS**

### **H.1 AS 1302 POSTAWARD CONFERENCE**

The contractor shall be required to attend a post-award conference. The conference will be held at [location will be identified at the time of contract award]. The Contracting Officer or designee will notify the contractor of the applicable date and time of the conference.

### **H.2 PUBLICIZING AWARDS**

The Contractor, or anyone acting on behalf of the Contractor, shall not refer to this contract in any news release or commercial advertising without first obtaining written consent from the Contracting Officer. The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or services is endorsed or preferred by the federal Government or is considered by the Government to be superior to other products or services.

### **H.3 EMPLOYEE RELATIONSHIP**

a. The services to be performed under this contract do not require the Contractor or his employees to exercise personal judgment and discretion on behalf of the Government, but rather, the Contractor's employees will act and exercise personal judgment and discretion on behalf of the Contractor.

b. Rules, regulations, directives and requirements which are issued by Government Authorities under their responsibility for good order, administration and security are applicable to all personnel who enter a Government installation or who travel on Government transportation. This is not to be construed or interpreted to establish any degree of Government control, which is inconsistent with a non-personal services contract.

### **H.4 INAPPLICABILITY OF EMPLOYEE BENEFITS**

This contract does not create an employer-employee relationship. Accordingly, entitlement and benefits applicable to such relationships do not apply.

- a. Payments under this contract are not subject to Federal income tax withholding.
- b. Payments under this contract are not subject to Federal Insurance Contributions Act.
- c. The Contractor is not entitled to unemployment compensation benefits under the Social Security Act, as amended, by virtue of performance under this contract.

d. The Contractor is not entitled to any workmen's compensation benefits by virtue of this contract.

e. The entire consideration and benefits to the Contractor for performance of this contract is contained in the provisions for payment under this contract.

#### **H.5 CONTRACTOR SUPERVISION**

The Government will not supervise, direct, or evaluate the contractor's employees. Similarly, the contractor's employees shall not supervise, direct, or evaluate Government employees or employees employed by other contractors. The contractor's employees shall not become an integrated part of any Government organization, nor shall they administer or control any Government procurement activities.

#### **H.6 NON-PERSONAL SERVICES**

The Government and the Contractor understand and agree that the services delivered by the Contractor to the Government are non-personal services. The parties also recognize and agree that no employer-employee or master-servant relationship exists or will exist between the Government and the Contractor. The Contractor and the Contractor's employees are not employees of the Federal Government and are not eligible for entitlement and benefits given to federal employees. As such, contractor personnel under this Contract shall not:

- Be placed in a position where there is an appearance that they are employed by a Federal Officer, or are under the supervision, direction, or evaluation of a Federal Officer.
- Be placed in a position of command, supervision, administration or control over personnel or personnel of other Government Contractors, or become a part of the Government organization.
- Be used in administration or supervision of procurement activities.

#### **H.7 DISCLOSURE OF INFORMATION**

(a) Offerors are reminded that Information furnished under this solicitation may be subject to disclosure under the Freedom of Information Act (FOIA). Therefore, all items that are confidential to business, or contain trade secrets, proprietary or personnel information must be clearly marked. Marking of items will not necessarily preclude disclosure when the Government determines disclosure is warranted by FOIA. However, if such items are not marked, all information contained within the submitted documents will be deemed to be releasable.

**H.8 CONTRACTOR’S SMALL DISADVANTAGED BUSINESS (SDB) PARTICIPATION TARGETS** (The applicable information below will be completed by the Government at contract award.)

(a) In accordance with FAR 19.1202-4, the SDB participation targets for this contract are as follows:

**Total Contract Value:** \$ \_\_\_\_\_

<b>Targets for SDB Participation</b>	<b>Dollars</b>	<b>Percentage of Total Contract Value</b>
<i>(List SDBs by Company Name)</i>		
Prime:	\$	%
	\$	%
	\$	%
Subcontractors:	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%

(b) The Contractor shall report SDB participation in accordance with FAR 52.219-25, Small Disadvantaged Business Participation Program – Disadvantaged Status and Reporting upon each annual renewal of this contract and at contract completion. The report shall be submitted to the Contracting Officer at the address specified in Section G.

**H.9 INSURANCE COVERAGE**

Pursuant to FAR clause 52.228-5, Insurance-Work on a Government Installation, the Contractor will be required to present evidence to show, at a minimum, the amounts of insurance coverage indicated below:

(a) **Workers Compensation and Employer’s Liability.** The Contractor is required to comply with applicable Federal and State workers’ compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer’s liability section of the insurance policy, except when contract operations are so commingled with a Contractor’s commercial operations that it would not be practical to require this coverage. Employer’s liability coverage of at least \$100,000 shall be required, except in States with exclusive or monopolistic funds that do not permit worker’s compensation to be written by private carriers.

(b) **General Liability.** The Contractor shall have bodily injury liability insurance coverage written on a comprehensive form of policy of at least \$500,000 per occurrence.

(c) **Automobile Liability.** The Contractor shall have automobile liability insurance written on a comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing this contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage or loss.

(d) **Aircraft Public and Passenger Liability.** When aircraft are used in connection with performing the contract, the Contractor shall have aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger injury. Coverage for passenger injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

## **H.10 SOFTWARE CUSTOMIZATION**

The contractor may be required to customize the PeopleSoft software when requested by HUD to meet the needs, objectives, and goals of HIFMIP and consistent with HUD's enterprise architecture. It is the intent of HUD to keep such customization to a minimum. However, HUD expects such customization shall be performed in a manner that minimizes disruption to HUD employees, is suitable for many types of HUD internal applications and meet the needs and requirements of HUD's remaining program offices. If the Contracting Officer (via a modification to the contract), or his/her designated Government Technical Representative (GTR) requests such action, it is understood that such costs shall not result in an increase to the contract and shall be deemed to have already been included within the applicable fixed price shown in Section B of this contract for relevant Integration activities.

## **H.11 SOFTWARE UPGRADES**

HUD considers an upgrade to be a new version of, or addition to a software product that is already installed or in use. Listed below are examples of some types of software upgrades HUD expects to occur during the life of the contract:

(a). **Minor Upgrade.** Starting with hosting of the FHASL, HUD will require routine installation of patches and maintenance releases for GFE software, including releases provided by COTS vendors and changes to custom developed software required to maintain operations or correct errors in accordance with baseline designs. Individual patches will be required to correct urgent operating problems. More generally, the vendor's maintenance releases (collections of patches) for GFE PeopleSoft software shall be required to be installed in order to maintain access to troubleshooting support from the COTS vendor. Currently, FHA installs PeopleSoft maintenance releases no later than three (3) months following their initial availability, and HUD will require that the contractor continue to maintain currency with PeopleSoft maintenance releases (either the

current schedule or a schedule to be proposed). In no event should the application software fall behind the most recent PeopleSoft service pack (a collection of maintenance releases) to the extent that vendor support for the GFE software is limited. HUD requires equivalent currency for vendor provided upgrades to other (non-PeopleSoft) GFE software. Minor upgrades shall not cause an increase in the contract price and shall be deemed to have already been included within applicable fixed price shown in Section B of this contract.

(b). **Intermediate Version Upgrade.** HUD requires planned upgrades for intermediate-level releases of the PeopleSoft application software, such as upgrades from PeopleSoft Financials version 8.4 to version 8.8, or from PeopleSoft Financials version 8.8 to version 8.9. FHA is currently using PeopleSoft Financials version 8.8, and anticipates that hosting will begin with this version. HUD will require the contractor to maintain and execute plans to upgrade the PeopleSoft application along the vendor's recommended migration path. Any pricing associated with such upgrades shall be deemed to have already been included within applicable fixed price as set forth in Section B of the contract.

(c). **Major Upgrade.** HUD considers a major upgrade to be a comprehensive update of any software package proposed by the contractor, such as PeopleSoft COTS financial products. An example of a major upgrade will be an upgrade from PeopleSoft version 8.8 or version 8.9 to a version 9.x in accordance with the vendor's recommended migration path. Another example of a major upgrade will be upgrades to PeopleSoft PeopleTools from version 8.4.6 to version 8.4.8. FHA is currently using PeopleTools version 8.4.6 and anticipates that FHA hosting will begin with PeopleTools 8.4.6. It is understood that installation of major upgrades will be proposed and planned by the contractor and shall not cause an increase in the contract price and are inclusive of the fixed price shown in Section B of this contract.

## **H.12 TECHNOLOGY REFRESH AND ENHANCEMENTS**

HUD defines technology refresh as the periodic replacement of both custom built and Commercial-Off-the-Shelf (COTS) system components. The contractor/vendor shall refresh HIFMIP platforms and applications software with new releases of COTS/GOTS software within twelve (12) months of their release date, pending stability of the software and approval of testing and validation by HUD. It is understood that such technology refresh and/or enhancements shall not result in additional costs to the fixed price shown in Section B of the contract.

HUD expects the contractor staff to stay current on new and emerging technology. It is understood that costs to ensure contractor staff remain current with changing or emerging technology to fulfill the requirements of this contract, shall not result in additional costs to the fixed price shown in Section B of the contract.

### **H.13 TRAINING**

(a). The contractor is responsible for ensuring that its staff is fully trained and qualified to perform assigned duties and responsibilities under this contract. If the contractor provides technical staff with applicable certifications, the contractor shall assure that its staff maintains such certification throughout the life of the contract. HUD expects the contractor to provide staffing with expertise that is current, to maintain a satisfactory level of knowledge and skills necessary to perform assigned tasks. Contractor staff shall not perform tasks they are not qualified to carry out.

(b). In the event that the performance of assigned contractor personnel or any substitute(s) is determined by the Government to be unsatisfactory at any time during the life of the contract, the Government reserves the right to request and receive satisfactory personnel replacement within five (5) calendar days of receipt by the contractor of written notification. Notification will include the reason for requesting replacement personnel.

(c). Training at Government expense will not be authorized for replacement personnel nor for the purpose of keeping contractor personnel abreast of advances in the state-of-the-art or for training contractor employees on equipment, computer languages, and computer operating systems.

### **H.14 SERVICE IMPROVEMENTS**

(a). During contract performance, the Government may solicit, and the contractor is encouraged to propose independently, improvements to the services, features, or other requirements of the contract. These improvements may be proposed to save money, to improve performance, or for any other purpose which presents a service advantage to the Government. As part of the proposed changes, the contractor shall submit a price proposal to the Contracting Officer (CO) for evaluation. Those proposed service improvements that are acceptable to the Government will be processed as modifications to the contract.

(b). At a minimum, the following information shall be submitted by the contractor with each proposal:

1. A description of the difference between the existing contract requirement and the proposed change, and the comparative advantages and disadvantages of each;
2. Itemized requirements of the contract which must be changed if the proposal is adopted, and the proposed revision to the contract for each such change;
3. An estimate of the changes in performance and cost, if any, that will result from adoption of the proposal.

4. A statement of the time by which the contract modification adopting the proposal must be issued so as to obtain the maximum benefits of the changes during the remainder of this contract including supporting rationale; and
  5. Any effect on the contract completion time or delivery schedule shall be identified.
- (c). The Government will not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The contractor has the right to withdraw, in whole or in part, any proposal not accepted by the Government within the period specified in the proposal. The decision of the CO as to the acceptance of any such proposal under this contract is final and not subject to the “Disputes” clause of this contract.
- (d). The CO may accept any proposal submitted pursuant to this clause by giving the contractor written notice thereof. This written notice will be given by issuance of a modification to the contract. Unless and until a modification is executed to incorporate a proposal under the contract, the contractor shall remain obligated to perform in accordance with the requirements, terms, and conditions of the existing contract.
- (e). If a proposal submitted pursuant to this clause is accepted and applied to this contract, the equitable adjustment increasing or decreasing the contract price shall be in accordance with the procedures of the “Changes” clause. The resulting contract modification will state that it is made pursuant to this clause.

#### **H.15 HUD IDENTIFIED POTENTIAL ORGANIZATION CONFLICTS OF INTEREST**

- (a). Pursuant to FAR 9.505-2, the Contracting Officer has determined that The MIL Corporation located at 4000 Mitchellville Road, #210A, Bowie, MD 20716-3104 and their subcontractors (V-Tech, Universal, and Avineon) may have an Organizational Conflict of Interest (OCI) and are ineligible to participate or receive contract or subcontract award, or as a consultant to an offeror/subcontractor for HIFMIP integration and hosting service during the contract period of performance. The MIL Corporation and their subcontractors were substantially involved in the preparation of various technical and financial documents related to the procurement for integration and hosting services for HIFMIP. Any contract(s) between HUD and The MIL Corporation contains appropriate OCI clauses prohibiting them from otherwise participating, as an offeror, a subcontractor, or as a consultant to an offeror/subcontractor in relation to this contract.
- (b). Pursuant to FAR 5.505-2, the Contracting Officer has also determined that Gartner Inc. may have a potential Organizational Conflict of Interest and is ineligible for award of the resulting contract or any subcontracts, or as a consultant to an offeror/subcontractor for HIFMIP integration and hosting services during the contract period of performance. The nature of the potential conflict of interest is any contractor (and its subcontractor) serving in the role of advisor and/or consultant is prohibited from soliciting, proposing or

being awarded any portion of any HIFMIP competition. This is because the contractor will have access to HUD information that other offerors will not have. It would thus have an unfair advantage were it allowed to compete. Gartner Inc. was substantially involved in the preparation of an Independent Cost Estimate for the procurement of integration and hosting services for HIFMIP. Any contract(s) between HUD and Gartner Inc. contains appropriate OCI clauses prohibiting the company from otherwise participating, as an offeror, a subcontractor, or as a consultant to an offeror/subcontractor in relation to this contract.

#### **H.16 DOCUMENTS PROVIDED UNDER HIFMIP AWARD**

All deliverables provided under this contract and described in the contractor's Performance Work Statement (see Section C) as a proposed HIFMIP solution shall constitute Government Furnished Property (GFP). The contractor understands that such deliverables shall not contain any language or restrictions that in anyway limits or restricts use by the Government.

**PART II - CONTRACT CLAUSES****I.1 CONTRACT CLAUSES INCORPORATED BY REFERENCE****FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)**

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	JUL 2004
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP 2006
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY FOR ILLEGAL OR OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP 2005
52.204-2	SECURITY REQUIREMENTS	AUG 1996
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.204-7	CENTRAL CONTRACTOR REGISTRATION	JUL 2006
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP 2006
52.215-2	AUDIT AND RECORDS--NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
52.215-11	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS	OCT 1997
52.215-13	SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS	OCT 1997
52.215-14	INTEGRITY OF UNIT PRICES	OCT 1997
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS	OCT 2004
52.215-18	REVERSION OR ADJUSTMENT OF PLANS POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	JUL 2005
52.215-19	NOTIFICATION OF OWNERSHIP CHANGES	OCT 1997
52.215-21	REQUIREMENTS FOR COST OR PRICING	OCT 1997

	DATA INFORMATION OTHER THAN COST OR PRICING DATA – MODIFICATIONS	
52.217-8	OPTION TO EXTEND SERVICES	NOV 1999
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	MAY 2004
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN ALTERNATE II (OCT 2001)	SEP 2006)
52.219-16	LIQUIDATED DAMAGES-SUBCONTRACTING PLAN	JAN 1999
52.222-3	CONVICT LABOR	JUN 2003
52.222-19	CHILD LABOR - COOPERATION WITH AUTHORITIES AND REMEDIES	JAN 2006
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	APR 2002
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2006
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2006
52.222-39	NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES	DEC 2004
52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED	JUL 2005
52.222-43	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT-PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)	MAY 1989
52.222-50	COMBATING TRAFFICKING IN PERSONS	APR 2006
52.223-5	POLLUTION PREVENTION AND RIGHT- TO-KNOW INFORMATION	AUG 2003
52.223-6	DRUG-FREE WORKPLACE	MAY 2001
52.223-14	TOXIC CHEMICAL RELEASE REPORTING	AUG 2003
52.224-1	PRIVACY ACT NOTIFICATION	APR 1984
52.224-2	PRIVACY ACT	APR 1984
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FEB 2006
52.227-1	AUTHORIZATION AND CONSENT	JUL 1995
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996
52.227-3	PATENT INDEMNITY	APR 1984
52.227-14	RIGHTS IN DATA – GENERAL	JUN 1987

52.227-16	ADDITIONAL DATA REQUIREMENTS	JUN 1987
52.227-19	COMMERCIAL COMPUTER SOFTWARE- RESTRICTED RIGHTS	JUN 1987
52.227-23	RIGHTS TO PROPOSAL DATA (TECHNICAL)	JUN 1987
52.228-5	INSURANCE--WORK ON A GOVERNMENT INSTALLATION	JAN 1997
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003
52.232-1	PAYMENTS	APR 1984
52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB 2002
52.232-11	EXTRAS	APR 1984
52.232-17	INTEREST	JUN 1996
52.232-18	AVAILABILITY OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	OCT 2003
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION	OCT 2003
52.233-1	DISPUTES	JUL 2002
52.233-3	PROTEST AFTER AWARD	AUG 1996
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004
52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION	APR 1984
52.237-3	CONTINUITY OF SERVICES	JAN 1991
52.239-1	PRIVACY OR SECURITY SAFEGUARDS	AUG 1996
52.242-13	BANKRUPTCY	JUL 1995
52.243-1	CHANGES--FIXED PRICE ALTERNATE I (APR 1984)	AUG 1987
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS	SEP 2006
52.245-2	GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS)	MAY 2004
52.245-19	GOVERNMENT PROPERTY FURNISHED "AS IS"	APR 1984
52.246-20	WARRANTY OF SERVICES	MAY 2001
52.248-1	VALUE ENGINEERING	FEB 2000
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY 2004
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

**I.2 FAR 52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACT 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.

**I.3 FAR 52.217-7 OPTION FOR INCREASED QUANTITY —SEPARATELY PRICED LINE ITEMS (MAR 1989)**

The Government may require the delivery of the numbered line item, identified in the Schedule as an option item, in the quantity and at the price stated in the Schedule. The Contracting Officer may exercise the option by written notice to the Contractor within [*To Be Determined*]. Delivery of added items shall continue at the same rate that like items are called for under the contract, unless the parties otherwise agree.

**I.4 FAR 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)**

(a) The Government may extend the term of the contract by written notice(s) to the Contractor within the period(s) specified below.

ITEM(S)

LATEST OPTION EXERCISE DATE

**To be determined**

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

(c) The total duration of this contract, including the exercise of any option(s) under this clause, shall not exceed **120 months**.

**I.5 FAR 52.219-4 NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (JUL 2005)**

(a) *Definition.* *HUBZone small business concern*, as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(b) *Evaluation preference.* (1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers, except--

(i) Offers from HUBZone small business concerns that have not waived the evaluated preference; and

(ii) Otherwise successful offers from small business concerns.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219-23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer.

These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) *Waiver of evaluation preference.* A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

Offeror elects to waive the evaluation preference.

(d) *Agreement.* A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

**I.6 FAR 52.219-25 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM – DISADVANTAGED STATUS AND REPORTING (OCT 1999)**

(a) *Disadvantaged status for joint venture partners, team members, and subcontractors.* This clause addresses disadvantaged status for joint venture partners, teaming arrangement members, and subcontractors and is applicable if this contract contains small disadvantaged business (SDB) participation targets. The Contractor shall obtain representations of small disadvantaged status from joint venture partners, teaming arrangement members, and subcontractors through use of a provision substantially the same as paragraph (b)(1)(i) of the provision at FAR 52.219-22, Small Disadvantaged Business Status. The Contractor shall confirm that a joint venture partner, team member, or subcontractor representing itself as a small disadvantaged business concern, is identified as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net) or by contacting the SBA's Office of Small Disadvantaged Business Certification and Eligibility.

(b) *Reporting requirement.* If this contract contains SDB participation targets, the Contractor shall report on the participation of SDB concerns at contract completion, or as otherwise provided in this contract. Reporting may be on Optional Form 312, Small Disadvantaged Business Participation Report, or in the Contractor's own format providing the same information. This report is required for each contract containing SDB participation targets. If this contract contains an individual Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan, reports may be submitted with the final Subcontracting Report for Individual Contracts (Standard Form 294) at the completion of the contract.

**I.7 FAR 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)**

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

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

**EMPLOYEE CLASS MONETARY WAGE**

The Government will incorporate those labor categories proposed and identified by the Contractor as Wage Determination applicable at contract award.

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**I.8 FAR 52.222-49 SERVICE CONTRACT ACT – PLACE OF PERFORMANCE UNKNOWN (MAY 1989)**

(a) This contract is subject to the Service Contract Act, and the place of performance was unknown when the solicitation was issued. In addition to places or areas identified in wage determinations, if any, attached to the solicitation, wage determinations have also been requested for the following: Washington, D.C. The Contracting Officer will request wage determinations for additional places or areas of performance if asked to do so in writing by 30 days after issuance of the solicitation.

(b) Offerors who intend to perform in a place or area of performance for which a wage determination has not been attached or requested may nevertheless submit bids or proposals. However, a wage determination shall be requested and incorporated in the resultant contract retroactive to the date of contract award, and there shall be no adjustment in the contract price.

**I.9 FAR 52.234-4 EARNED VALUE MANAGEMENT SYSTEM (JUL 2006)**

(a) The Contractor shall use an earned value management system (EVMS) that has been determined by the Cognizant Federal Agency (CFA) to be compliant with the guidelines in ANSI/EIA Standard-748 (current version at the time of award) to manage this contract. If the Contractor's current EVMS has not been determined compliant at the time of award, see paragraph (b) of this clause. The Contractor shall submit reports in accordance with the requirements of this contract.

(b) If, at the time of award, the Contractor's EVM System has not been determined by the CFA as complying with EVMS guidelines or the Contractor does not have an existing cost/schedule control system that is compliant with the guidelines in ANSI/EIA Standard-748 (current version at time of award), the Contractor shall--

- (1) Apply the current system to the contract; and

(2) Take necessary actions to meet the milestones in the Contractor's EVMS plan approved by the Contracting Officer.

(c) The Government will conduct an Integrated Baseline Review (IBR). If a pre-award IBR has not been conducted, a post award IBR shall be conducted as early as practicable after contract award.

(d) The Contracting Officer may require an IBR at--

(1) Exercise of significant options; or

(2) Incorporation of major modifications.

(e) Unless a waiver is granted by the CFA, Contractor proposed EVMS changes require approval of the CFA prior to implementation. The CFA will advise the Contractor of the acceptability of such changes within 30 calendar days after receipt of the notice of proposed changes from the Contractor. If the advance approval requirements are waived by the CFA, the Contractor shall disclose EVMS changes to the CFA at least 14 calendar days prior to the effective date of implementation.

(f) The Contractor shall provide access to all pertinent records and data requested by the Contracting Officer or a duly authorized representative as necessary to permit Government surveillance to ensure that the EVMS conforms, and continues to conform, with the performance criteria referenced in paragraph (a) of this clause.

(g) The Contractor shall require the subcontractors specified below to comply with the requirements of this clause:

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**I.10 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

FAR: [www.acqnet.gov/far/index.html](http://www.acqnet.gov/far/index.html)  
HUDAR: [www.hud.gov/offices/cpo/hudar.cfm](http://www.hud.gov/offices/cpo/hudar.cfm)

**I.11 FAR 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)**

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any Department of Housing and Urban Development Acquisition Regulation (48 CFR Chapter 24) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

**I.12 HUDAR 2452.203-70 PROHIBITION AGAINST THE USE OF FEDERAL EMPLOYEES (FEB 2006)**

In accordance with Federal Acquisition Regulation 3.601, contracts are not to be awarded to Federal employees or a business concern or other organization owned or substantially owned or controlled by one or more Federal employees. For the purpose of this contract, this prohibition against the use of Federal employees includes any work performed by the Contractor or any of its employees, subcontractors, or consultants.

**I.13 HUDAR 2452.208-71 REPRODUCTION OF REPORTS (APR 1984)**

In accordance with Title I of the Government Printing and Binding Regulations, printing of reports, data or other written material, if required herein, is authorized provided that the material produced does not exceed 5,000 production units of any page and that items consisting of multiple pages do not exceed 25,000 production units in aggregate. The aggregate number of production units is determined by multiplying pages times copies. A production unit is one sheet, size 8 ½ by 11 inches or less, printed on one side only and in one color. All copy preparation to produce camera-ready copy for reproduction must be set by methods other than hot metal typesetting. The reports should be produced by methods employing stencils, masters and plates which are to be used on single unit duplicating equipment no larger than 11 by 17 inches with a maximum image of 10 ¾ by 14 ¼ inches and are prepared by methods or devices that do not utilize reusable contact negatives and/or positives prepared with a camera requiring a darkroom. All reproducible (camera ready copies for reproduction by photo offset methods) shall become the property of the Government and shall be delivered to the Government with the report, data or other written materials.

**I.14 HUDAR 2452.209-72 ORGANIZATIONAL CONFLICTS OF INTEREST (APR 1984)**

(a). The Contractor warrants that to the best of its knowledge and belief, and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a Government contract and a Contractor's organizational, financial, contractual or other interests are such that:

- (1) Award of the contract may result in an unfair competitive advantage; or
- (2) The Contractor's objectivity in performing the contract work is or might be otherwise may be impaired.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer, which shall include a description of the action, which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The Government may, however, terminate the contract for the convenience of the Government if it would be in the best interest of the Government.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the Government may terminate the contract for default.

(d) The provisions of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

**I.15 HUDAR 2452.222-70 ACCESSIBILITY OF MEETINGS, CONFERENCES, AND SEMINARS TO PERSONS WITH DISABILITIES (FEB 2006)**

The contractor shall assure that any meeting, conference, or seminar held pursuant to the contract meets all applicable standards for accessibility to persons with disabilities pursuant to Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and any implementing regulations of the Department. The contractor shall be responsible for ascertaining the specific accessibility needs (e.g., sign language interpreters) for each meeting, conference, or seminar in light of the known or anticipated attendees.

**I.16 HUDAR 2452.237-70 KEY PERSONNEL (FEB 2006)**

(a) Definition. "Personnel" means employees of the contractor, or any subcontractor(s), affiliates, joint venture partners, or team members, and consultants engaged by any of those entities.

(b) The personnel specified below are considered to be essential to the work being performed under this contract. Prior to diverting any of the specified individuals to other projects, the contractor shall notify the Contracting Officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the contractor without the written consent of the Contracting Officer. Key personnel shall perform as follows:

<u>Labor Category</u>	<u>Functional Title</u>	<u>Name of Key Person</u>
a. Prime Program Manager		
b. Prime Project Manager		
c. Chief System Architect		
d. Information Systems Security Officer		
e. Operations Manager		
f. Functional/Process Manager		
g. Technical Manager		
h. Change Management Manager		
i. Training Team Leader		
j. Data Conversion Team Leader		
k. Interface Team Leader		
l. PeopleSoft Software Team Leader		
m. Implementation Team Leader		
n. Help Desk Team Leader		

**NOTE:** The Contractor may propose multiple key personnel positions for the base and each option year. The use of the term “multiple key personnel positions,” means a proposed individual may occupy no more than two (2) positions at any given time during the contract period of performance.

#### **I. 17 ADDITIONAL KEY PERSONNEL INFORMATION**

(a). In order to ensure a smooth and orderly start-up of work, it is essential that the key personnel specified in the contractor’s proposal be available on the effective date of the contract. If these personnel are not made available at that time, the contractor must notify the Contracting Officer and show cause. If the contractor does not show cause, the Contractor may be subject to default action.

(b). In the event that the performance of assigned contractor personnel or any substitute(s) is determined by the Government to be unsatisfactory at any time during the life of the contract, the Government reserves the right to request and receive satisfactory personnel replacement within five (5) calendar days of receipt by the contractor of written notification. Notification will include the reason for requesting replacement personnel.

**I.18 HUDAR 2452.237-73 CONDUCT OF WORK AND TECHNICAL GUIDANCE (FEB 2006)**

(a) The Government Technical Representative (GTR) for liaison with the contractor as to the conduct of work is [*to be inserted at time of award*] or a successor designated by the Contracting Officer. The Contracting Officer will notify the contractor in writing of any change to the current GTR's status or the designation of a successor GTR.

(b) The GTR will provide guidance to the contractor on the technical performance of the contract. Such guidance shall not be of a nature which:

(1) Causes the contractor to perform work outside the statement of work or specifications of the contract;

(2) Constitutes a change as defined in FAR 52.243-1;

(3) Causes an increase or decrease in the cost of the contract;

(4) Alters the period of performance or delivery dates; or

(5) Changes any of the other express terms or conditions of the contract.

(c) The GTR will issue technical guidance in writing or, if issued orally, he/she will confirm such direction in writing within five calendar days after oral issuance. The GTR may issue such guidance via telephone, facsimile (fax), or electronic mail.

(d) Certain of the GTR's duties and responsibilities may be delegated to one or more Government Technical Monitors (GTMs) (see HUDAR subpart 2402.1). The Contracting Officer will notify the contractor in writing of the appointment of any GTMs.

(e) Other specific limitations [*to be inserted by Contracting Officer*]:

(f) The contractor shall promptly notify the Contracting Officer whenever the contractor believes that guidance provided by any government personnel, whether or not specifically provided pursuant to this clause, is of a nature described in paragraph (b) above.

**I.19 HUDAR 2452.237-75 ACCESS TO HUD FACILITIES (NOV 2005)  
(Deviation)**

(a) Definitions. As used in this clause –

“Access” means physical entry into, and to the extent authorized, mobility within, a Government facility.

“Contractor employee” means an employee of the prime contractor or of any subcontractor, affiliate, partner, joint venture, or team members with which the contractor is associated. It also includes consultants engaged by any of those entities.

“Facility” and “Government facility” mean buildings, including areas within buildings, owned, leased, shared, occupied, or otherwise controlled by the Federal Government.

“NACI” means National Agency Check with Written Inquiries, the minimum background investigation prescribed by the U. S. Office of Personnel Management.

“PIV Card” means Personal Identity Verification (PIV) Card, the Federal Government-issued identification credential (identification badge).

(b) General. The performance of this contract requires contractor employees to have access to HUD facilities. All such employees who do not already possess a current PIV Card acceptable to HUD shall be required to provide personal background information, undergo a background investigation (NACI or other OPM-required or approved investigation), including an FBI National Criminal History Fingerprint Check, and obtain a PIV Card prior to being permitted access to any such facility in performance of this contract. HUD may accept a PIV Card issued by another Federal Government agency but shall not be required to do so. No contractor employee will be permitted access to a HUD facility without a proper PIV Card.

(c) Background information.

(1) For each contractor employee subject to the requirements of this clause and not in possession of a current PIV Card acceptable to HUD, the contractor shall submit the following properly-completed forms: Standard Form (SF) 85, “Questionnaire for Non-sensitive Positions,” FD 258 (Fingerprint Chart), and a partial Optional Form (OF) 306 (Items 1, 2, 6, 8-13, 16, and 17). The SF-85, and OF-306 are available from the Office of Personnel Management’s (OPM) website: <http://www.opm.gov>. The GTR will provide all other forms that are not obtainable via the Internet.

(2) The contractor shall deliver the forms and information required in subparagraph (c)(1) to the GTR.

(3) The information provided in accordance with paragraph (c)(1) will be used to perform a background investigation to determine the suitability of the contractor employees to have access to Government facilities. After completion of the investigation, the GTR will notify the contractor in writing if any contractor employee is determined to be unsuitable to be given access to a Government facility. The contractor shall immediately remove such employees from work on this contract that requires the employees’ physical presence in a Government facility.

(4) Affected contractor employees who have had a Federal background investigation without a subsequent break in Federal employment or Federal contract service exceeding two (2) years may be exempt from the investigation requirements of this clause subject to verification of the previous investigation. For each such employee, the contractor shall submit the following information in lieu of the forms and information listed in subparagraph (c)(1): employee’s full name, Social Security Number, and place and date of birth.

(d) PIV Cards.

(1) HUD will issue a PIV Card to each contractor employee who is to be given access to HUD facilities and does not already possess a PIV Card acceptable to HUD (see paragraph (b)). HUD will not issue the PIV Card until the contractor employee has successfully cleared the FBI National Criminal History Fingerprint Check, and HUD has initiated the background investigation for the contractor employee.

Initiation is defined to mean all background information required in paragraph (c)(1) has been delivered to HUD. The employee may not be given access prior to those two events. HUD may issue a PIV Card and grant access pending the completion of the background investigation. HUD will revoke the PIV Card and the employee's access if the background investigation process (including adjudication of investigation results) for the employee has not been completed within six (6) months after the issuance of the PIV Card.

(2) PIV Cards shall identify individuals as contractor employees. Contractor employees shall display their PIV Cards on their persons at all times while working in a HUD facility, and shall present cards for inspection upon request by HUD officials or HUD security personnel.

(3) The contractor shall be responsible for all PIV Cards issued to the contractor's employees and shall immediately notify the GTR if any PIV Card(s) cannot be accounted for. The contractor shall notify the GTR immediately whenever any contractor employee no longer has a need for his/her HUD-issued PIV Card (e.g., employee terminates employment with the contractor, employee's duties no longer require access to HUD facilities). The GTR will instruct the contractor as to how to return the PIV Card. Upon expiration of this contract, the GTR will instruct the contractor as to how to return all HUD-issued PIV Cards not previously returned. The contractor shall not return PIV Cards to any person other than the individual(s) named by the GTR.

(e) Control of access. HUD shall have and exercise full and complete control over granting, denying, withholding, and terminating access of contractor employees to HUD facilities. The GTR will notify the contractor immediately when HUD has determined that an employee is unsuitable or unfit to be permitted access to a HUD facility. The contractor shall immediately notify such employee that he/she no longer has access to any HUD facility, remove the employee from any such facility that he/she may be in, and provide a suitable replacement in accordance with the requirements of this clause.

(f) Access to HUD information systems. If this contract requires contractor employees to have access to HUD information system(s), application(s), or information contained in such systems, the contractor shall comply with all requirements of HUDAR clause 2452.239-70, Access to HUD Systems, including providing for each affected employee any additional background investigation forms prescribed in that clause.

(g) Subcontracts. The contractor shall incorporate this clause in all subcontracts where the requirements specified in paragraph (b) of this section are applicable to performance of the subcontract.

## **I.20 HUDAR 2452.237-77 OBSERVANCE OF LEGAL HOLIDAYS AND ADMINISTRATIVE LEAVE (FEB 2006)**

(a) (1) The Department of Housing and Urban Development observes the following days as holidays:

New Year's Day  
Martin Luther King's Birthday

Washington's Birthday  
Memorial Day  
Independence Day  
Labor Day  
Columbus Day  
Veterans Day  
Thanksgiving Day  
Christmas Day

Any other day designated by Federal law, Executive Order or Presidential Proclamation.

(2) When any holiday specified in (a) (1) falls on a Saturday, the preceding Friday shall be observed. When any such holiday falls on a Sunday, the following Monday shall be observed. Observances of such days by Government personnel shall not be cause for additional period of performance or entitlement to compensation except as set forth in the contract. If the contractor's personnel work on a holiday, no form of holiday or other premium compensation will be reimbursed either as a direct or indirect cost, unless authorized pursuant to an overtime clause elsewhere in this contract.

(b)(1) HUD may close a HUD facility for all or a portion of a business day as a result of:

- (A) Granting administrative leave to non-essential HUD employees (e.g. unanticipated holiday);
- (B) Inclement Weather;
- (C) Failure of Congress to appropriate operational funds;
- (D) Or any other reason.

(2) In such cases, contractor personnel not classified as essential, i.e., not performing critical round-the-clock services or tasks, who are not already on duty at the facility shall not report to the facility. Such contractor personnel already present shall be dismissed and shall leave the facility.

(3) The Contractor agrees to continue to provide sufficient personnel to perform round-the-clock requirements of critical tasks already in operation or scheduled for performance during the period in which HUD employees are dismissed, and shall be guided by any specific instructions of the Contracting Officer or his/her duly authorized representative.

(c) When contractor personnel services are not required or provided due to closure of a HUD facility as described in this clause, the contractor shall be compensated as follows:

(1) For fixed-price contracts, deductions in the contractor's price will be computed as follows:

(A) The deduction rate in dollars per day will be equal to the per month contract price divided by 21 days per month.

(B) The deduction rate in dollars per day will be multiplied by the number of days services are not required or provided.

If services are provided for portions of days, appropriate adjustment will be made by the Contracting Officer to ensure that the contractor is compensated for services provided.

(2) For cost-reimbursement, time-and-materials and labor-hour type contracts, HUD shall not reimburse as direct costs, the costs of salaries or wages of contractor personnel for the period during which such personnel are dismissed from, or do not have access to, the facility.

**I.21 HUDAR 2452.239-70 ACCESS TO HUD SYSTEMS (NOV 2005) (Deviation)**

(a) Definitions: As used in this clause –

“Access” means the ability to obtain, view, read, modify, delete, and/or otherwise make use of information resources.

“Application” means the use of information resources (information and information technology) to satisfy a specific set of user requirements (see OMB Circular A-130).

“Contractor employee” means an employee of the prime contractor or of any subcontractor, affiliate, partner, joint venture, or team members with which the contractor is associated. It also includes consultants engaged by any of those entities.

“Mission critical system” means an information technology or telecommunications system used or operated by HUD or by a HUD contractor, or organization on behalf of HUD, that processes any information, the loss, misuse, disclosure, or unauthorized access to, or modification of, would have a debilitating impact on the mission of the agency.

“NACI” means National Agency Check with Written Inquiries, the minimum background investigation prescribed by the U. S. Office of Personnel Management.

“PIV Card” means Personal Identity Verification (PIV) Card, the Federal Government-issued identification credential (i.e., identification badge).

“Sensitive information” means any information, the loss, misuse, or unauthorized access to or modification of which could adversely affect the national interest or the conduct of federal programs or the privacy to which individuals are entitled under section 552a of title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense or foreign policy.

“System” means an interconnected set of information resources under the same direct management control, which shares common functionality. A system normally includes hardware, software, information, data, applications, communications, and people (see OMB Circular A-130). System includes any system owned by HUD or owned and operated on HUD’s behalf by another party.

(b) General.

(1) The performance of this contract requires contractor employees to have access to a HUD system or systems. All such employees who do not already possess a

current PIV Card acceptable to HUD shall be required to provide personal background information, undergo a background investigation (NACI or other OPM-required or approved investigation), including an FBI National Criminal History Fingerprint Check, and obtain a PIV Card prior to being permitted access to any such system in performance of this contract. HUD may accept a PIV Card issued by another Federal Government agency but shall not be required to do so. No contractor employee will be permitted access to any HUD system without a PIV Card.

(2) All contractor employees who require access to mission-critical systems or sensitive information contained within a HUD system or application(s) are required to have a more extensive background investigation. The investigation shall be commensurate with the risk and security controls involved in managing, using, or operating the system or applications(s).

(c) Citizenship-related requirements. Each affected contractor employee as described in paragraph (b) shall be:

(1) A United States (U.S.) citizens; or,

(2) A national of the United States (see 8 U.S.C. 1408); or,

(3) An alien lawfully admitted into the United States for permanent residence as evidenced by an Alien Registration Receipt Card Form I-151.

(d) Background investigation process:

(1) The Government Technical Representative (GTR) shall notify the contractor of those contractor employee positions requiring background investigations.

(i) For each contractor employee requiring access to HUD information systems, the contractor shall submit the following properly-completed forms: Standard Form (SF) 85, "Questionnaire for Non-sensitive Positions," FD 258 (Fingerprint Chart), and a partial Optional Form (OF) 306 (Items 1, 2, 6, 8-13, 16, and 17).

(ii) For each contractor employee requiring access to mission-critical systems and/or sensitive information contained within a HUD system and/or application(s), the contractor shall submit the following properly-completed forms: SF 85P, "Questionnaire for Public Trust Positions," FD 258, and a Fair Credit Reporting Act form (authorization for the credit-check portion of the investigation). Contractor employees shall not complete the Medical Release behind the SF 85P.

(iii) The SF85, 85P, and OF 306 are available from the Office of Personnel Management's website: <http://www.opm.gov>. The GTR will provide all other forms that are not obtainable via the Internet.

(2) The contractor shall deliver the forms and information required in subparagraph (d)(1) to the GTR.

(3) Affected contractor employees who have had a Federal background investigation without a subsequent break in Federal employment or Federal contract service exceeding two (2) years may be exempt from the investigation requirements of this clause subject to verification of the previous investigation. For each such employee, the contractor shall submit the following information in lieu of the forms and information listed in subparagraph (d)(1): employee's full name, Social Security number, and place, and date of birth.

(4) The investigation process shall consist of a range of personal background inquiries and contacts (written and personal) and verification of the information provided on the investigative forms described in subparagraph (d)(1).

(5) Upon completion of the investigation process, the GTR will notify the contractor if any contractor employee is determined to be unsuitable to have access to the system(s), application(s), or information. Such an employee may not be given access to those resources. If any such employee has already been given access pending the results of the background investigation, the contractor shall ensure that the employee's access is revoked immediately upon receipt of the GTR's notification.

(6) Failure of the GTR to notify the contractor (see subparagraph (d)(1)) of any employee who should be subject to the requirements of this clause and is known, or should reasonably be known, by the contractor to be subject to the requirements of this clause, shall not excuse the contractor from making such employee(s) known to the GTR. Any such employee who is identified and is working under the contract without having had the appropriate background investigation or furnished the required forms for the investigation, shall cease to perform such work immediately and shall not be given access to the system(s)/application(s) described in paragraph (b) until the contractor has provided the investigative forms required in subparagraph (d)(1) for the employee to the GTR

(7) The contractor shall notify the GTR in writing whenever a contractor employee for whom a background investigation package was required and submitted to HUD, or for whom a background investigation was completed, terminates employment with the contractor or otherwise is no longer performing work under this contract that requires access to the system(s), application(s), or information. The contractor shall provide a copy of the written notice to the Contracting Officer.

(e) PIV Cards.

(1) HUD will issue a PIV Card to each contractor employee who is to be given access to HUD systems and does not already possess a PIV Card acceptable to HUD (see paragraph (b)). HUD will not issue the PIV Card until the contractor employee has successfully cleared an FBI National Criminal History Fingerprint Check, and HUD has initiated the background investigation for the contractor employee. Initiation is defined to mean all background information required in paragraph (d)(1) has been delivered to HUD. The employee may not be given access prior to those two events. HUD may issue a PIV Card and grant access pending the completion of the background investigation. HUD will revoke the PIV Card and the employee's access if the background investigation process (including adjudication of investigation results) for the employee has not been completed within six (6) months after the issuance of the PIV Card.

(2) PIV Cards shall identify individuals as contractor employees. Contractor employees shall display their PIV Cards on their persons at all times while working in a HUD facility, and shall present cards for inspection upon request by HUD officials or HUD security personnel.

(3) The contractor shall be responsible for all PIV Cards issued to the contractor's employees and shall immediately notify the GTR if any PIV Card(s) cannot be accounted for. The contractor shall notify the GTR immediately whenever any contractor employee no longer has a need for his/her HUD-issued PIV Card (e.g., employee terminates employment with the contractor, employee's duties no longer require access to HUD systems). The GTR will instruct the contractor as to how to return the PIV Card. Upon expiration of this contract, the GTR will instruct the contractor as to how to return all

HUD-issued PIV Cards not previously returned. The contractor shall not return PIV Cards to any person other than the individual(s) named by the GTR.

(f) Control of access. HUD shall have and exercise full and complete control over granting, denying, withholding, and terminating access of contractor employees to HUD systems. The GTR will notify the contractor immediately when HUD has determined that an employee is unsuitable or unfit to be permitted access to a HUD system. The contractor shall immediately notify such employee that he/she no longer has access to any HUD system, physically retrieve the employee's PIV Card from the employee, and provide a suitable replacement employee in accordance with the requirements of this clause.

(g) Incident response notification. An incident is defined as an event, either accidental or deliberate, that results in unauthorized access, loss, disclosure, modification, or destruction of information technology systems, applications or data. The contractor shall immediately notify the GTR and the Contracting Officer of any known or suspected incident, or any unauthorized disclosure of the information contained in the system(s) to which the contractor has access.

(h) Nondisclosure of information.

(1) Neither the contractor nor any of its employees shall divulge or release data or information developed or obtained during performance of this contract, except to authorized government personnel with an established need to know or upon written approval of the Contracting Officer. Information contained in all source documents and other media provided by HUD is the sole property of HUD.

(2) The contractor shall require that all employees who may have access to the system(s)/applications(s) identified in paragraph (b) sign a pledge of nondisclosure of information. The employees shall sign these pledges before they are permitted to perform work under this contract. The contractor shall maintain the signed pledges for a period of three years (3) after final payment under this contract. The contractor shall provide a copy of these pledges to the GTR.

(i) Security procedures.

(1) The Contractor shall comply with applicable Federal and HUD statutes, regulations, policies and procedures governing the security of the system(s) to which the contractor's employees have access including, but not limited to:

(i) Federal Information Security Management Act (FISMA) of 2002;

(ii) OMB Circular A-130, Management of Federal Information Resources, Appendix III, Security of Federal Automated Information Resources;

(iii) HUD Handbook 2400.25, Information Security Policy;

(iv) HUD Handbook 732.3, Personnel Security/Suitability;

(v) Federal Information Processing Standards 201 (FIPS 201), Sections 2.1 and 2.2;

(vi) Homeland Security Presidential Directive 12 (HSPD-12); and

(vii) OMB Memorandum M-05-24, Implementing Guidance for HSPD-12.

The HUD Handbooks are available online at: <http://www.hudclips.org/cgi/index.cgi> or from the GTR.

(2) The contractor shall develop and maintain a compliance matrix that lists each requirement set forth in paragraphs, (b), (c), (d), (e), (f), (g), (h), (i)(1) and (m) of this clause with specific actions taken, and/or procedures implemented, to satisfy each requirement. The contractor shall identify an accountable person for each requirement,

the date actions/procedures were initiated/completed, and certify that information contained in this compliance matrix is correct. The contractor shall ensure that information in this compliance matrix is complete, accurate, and up-to-date at all times for the duration of this contract. Upon request, the contractor shall provide copies of the current matrix to HUD.

(3) The Contractor shall ensure that its employees, in performance of the contract, receive annual training (or once if the contract is for less than one year) in HUD information technology security policies, procedures, computer ethics, and best practices in accordance with HUD Handbook 2400.25.

(j) Access to contractor's systems. The Contractor shall afford HUD, including the Office of Inspector General, access to the Contractor's facilities, installations, operations, documentation (including the compliance matrix required under paragraph (i)(2)), databases and personnel used in performance of the contract. Access shall be provided to the extent required to carry out, but not limited to, any information security program activities, investigation and audit to safeguard against threats and hazards to the integrity, availability and confidentiality of HUD data and systems, or to the function of information systems operated on behalf of HUD, and to preserve evidence of computer crime.

(k) Contractor compliance with this clause. Failure on the part of the contractor to comply with the terms of this clause may result in termination of this contract for default.

(l) Physical access to Federal Government facilities. The contractor and any subcontractor(s) shall also comply with the requirements of HUDAR clause 2452.237 75 when the contractor or subcontractor's employees will perform any work under this contract on site in a HUD or other Federal Government facility.

(m) Subcontracts. The contractor shall incorporate this clause in all subcontracts where the requirements specified in paragraph (b) of this section are applicable to performance of the subcontract.

**I.22HUDAR 2452.239-71 INFORMATION TECHNOLOGY VIRUS SECURITY (FEB 2006)**

(a) The contractor hereby agrees to make every reasonable effort to deliver information technology products to HUD free of known computer viruses. The contractor shall be responsible for examining all such products prior to their delivery to HUD using software tools and processes capable of detecting all known viruses.

(b) The contractor shall include the following statement on deliveries of hardware, software, and data products, including diskettes, made under this contract:

"This product has been scanned for known viruses using [name of virus-screening product, including version number, if any] and is certified to be free of known viruses at the time of delivery."

(c) The Contracting Officer may assess monetary damages against the contractor sufficient to compensate HUD for actual or estimated costs resulting from computer virus damage or malicious destruction of computer information arising from the contractor's

failure to take adequate precautions to preclude delivery of virus-containing products in the delivery of hardware, software, or data on diskettes under this contract.

(d) This clause shall not limit the rights of the government under any other clause of this contract.

**PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS**

**SECTION J - LIST OF ATTACHMENTS**

**ATTACHMENT # HIFMIP ICFS RELEVANT DOCUMENTS**

- 1 Statement of Objectives (SOO)
- 2 Invoice Summary Sheet
- 3 Invoice Continuation Sheet
- 4 Left open for additional attachments
- 5 Fit Gap Template (FGT)
- 6 FGT Instructions
- 7 Mission Capability Proposal Traceability Matrix Template
- 8 HIFMIP Performance Plan
- 9 Request for Proposal (RFP) Definitions
- 10 Government Work Breakdown Structure (GWBS)
- 11 Supplemental Metrics and Information
- 12 CLIN Breakdown Template
- 13 Left open for additional attachments
- 14 COTS Product Suite/Government Fit Gap Analysis
- 15 Contract Deliverable Requirements List (CDRL)
- 16 A. Service Level Agreement (SLA) Outline and  
B. FMLOB SLA Overview
- 17 Data Requirements Document (DRD)
- 18 Functional Requirements Document (FRD)
- 19 Left Open for additional attachments
- 20 System Security Plan
- 21 System Support Plan
- 22 Functional Decomposition Diagram
- 23 Data Model with Entity and Attribute Definitions
- 24 Roadmap
- 25 Legacy Systems Disposition Plan
- 26 Due Diligence Checklist Template
- 27 FHASL Infrastructure Requirements
- 28 FHASL Infrastructure Requirements Addendum
- 29 FHASL Updates System Acquisition Plan
- 30 FHA Subsidiary Ledger Operations Runbook
- 31 FHASL IT Roles and Responsibilities
- 32 HUD PeopleSoft Licenses
- 33 PeopleSoft COTS Evaluation Report
- 34 HUD Contingency Planning Policy
- 35 Applicable Wage Determination(s)

PART IV - REPRESENTATIONS AND INSTRUCTIONS

SECTION K - REPRESENTATIONS, CERTIFICATIONS AND  
OTHER STATEMENTS OF OFFERORS

**K.1 FAR 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS  
(JAN 2006)**

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is 541519.

(2) The small business size standard is \$23 million.

(3) The small business size standard for a concern, which submits an offer in its own name other than on a construction contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (c) of this provision applies.

(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (c) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

(i) Paragraph (c) applies.

(ii) Paragraph (c) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(c) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation, as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201; except for the changes identified below [offeror to insert changes, identifying change by clause number, title, date]. These

amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR Clause	Title	Date	Change
_____	_____	_____	_____

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

**L.1 PROVISIONS INCORPORATED BY REFERENCE**

**FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)**

**SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**

NUMBER	TITLE	DATE
52.214-34	SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE	APR 1991
52.215-1	INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION	MAY 2001
52.215-16	FACILITIES CAPITAL COST OF MONEY	JUN 2003
52.219-24	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--TARGETS	OCT 2000
52.222-24	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION	FEB 1999
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993
2452.219-70	SMALL BUSINESS SUBCONTRACTING PLAN COMPLIANCE	FEB 2006

**L.2 FAR 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) - - ALTERNATE IV (OCT 1997)**

- (a) Submission of cost or pricing data is **not** required.
- (b) Provide information described below:

See Volume 5 Price Proposal Instructions under Section L.17.

**L.3 FAR 52.233-2 SERVICE OF PROTEST (SEP 2006)**

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Robert B. Wissman

Hand-Carried Address:

U.S. Department of Housing and  
Urban Development (HUD)  
Office of the Chief Procurement Officer  
451 Seventh Street, SW, Room 5151  
Washington DC 20410-3000

Mailing Address:

U.S. Department of Housing and  
Urban Development (HUD)  
Office of the Chief Procurement Officer  
451 Seventh Street, SW, Room 5151  
Washington DC 20410-3000

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

**L.4 FAR 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of these provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

FAR: [www.acqnet.gov/far/index.html](http://www.acqnet.gov/far/index.html)  
HUDAR: [www.hud.gov/offices/cpo/hudar.cfm](http://www.hud.gov/offices/cpo/hudar.cfm)

**L.5 FAR 52.234-3 NOTICE OF EARNED VALUE MANAGEMENT SYSTEM - POST AWARD IBR (JUL 2006)**

(a) The offeror shall provide documentation that the Cognizant Federal Agency has determined that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (current version at time of solicitation).

(b) If the offeror proposes to use a system that has not been determined to be in compliance with the requirements of paragraph (a) of this provision, the offeror shall submit a comprehensive plan for compliance with the EVMS guidelines.

(1) The plan shall--

(i) Describe the EVMS the offeror intends to use in performance of the contracts;

- (ii) Distinguish between the offeror's existing management system and modifications proposed to meet the guidelines;
  - (iii) Describe the management system and its application in terms of the EVMS guidelines;
  - (iv) Describe the proposed procedure for administration of the guidelines, as applied to subcontractors; and
  - (v) Provide documentation describing the process and results of any third-party or self-evaluation of the system's compliance with the EVMS guidelines.
- (2) The offeror shall provide information and assistance as required by the Contracting Officer to support review of the plan.
- (3) The Government will review and approve the offeror's plan for an EVMS before contract award.
- (4) The offeror's EVMS plan must provide milestones that indicate when the offeror anticipates that the EVM system will be compliant with the ANSI/EIA Standard-748 guidelines.
- (c) Offerors shall identify the major subcontractors, or major subcontracted effort if major subcontractors have not been selected, planned for application of the guidelines. The prime Contractor and the Government shall agree to subcontractors selected for application of the EVMS guidelines.

## **L.6 INVITATION TO PUBLIC-PRIVATE ENTITIES**

Pursuant to the May 22, 2006, Memorandum from the Office of Management and Budget (OMB) entitled, "Competition Framework for Financial Management Lines of Business Migrations," HUD intends to award the resultant contract/Interagency Agreement based on competition amongst otherwise eligible public and/or private entities. HUD invites all interested public Shared Service Providers and qualified private entities to participate in this competitive public-private procurement.

## **L.7 CONTRACT/INTERAGENCY AGREEMENT**

It is HUD's objective to make full use of the contractor's expertise and experience in delivering solutions of the scale and in the manner described in its SOO (See Attachment 1). The Offeror is expected to work as part of an integrated team that includes HUD staff, and separate Independent Verification and Validation (IV&V) contractors. Depending on the outcome of this public/private competition, HUD expects to issue either a Contract or Interagency Agreement to the successful offeror. Use of the term

“contract” shall be construed as meaning and including the term “Interagency Agreement (IAA),” as applicable at the time of award.

## **L.8 NOTICE OF PUBLIC SECTOR CONSIDERATION FOR AWARD**

(1). Consistent with the Financial Management Line of Business (FMLoB) approach, HUD will consider offers submitted by public sector Shared Service Providers (SSP) designated by the Office of Management and Budget as well as private sector Shared Service Center providers as part of its best value determination.

(2). Should a public sector Shared Service Provider be selected, HUD will enter into an Interagency Agreement (IAA). The IAA will incorporate the winning proposal, performance levels, the method of quality surveillance, performance metrics, and the cost for performance.

(3). HUD intends to evaluate public sector shared service provider(s) and private sector shared service provider(s) in accordance with the same set of evaluation criteria identified in Section M of this solicitation.

(4). Prospective public sector Shared Service Providers are exempt from the following requirements: (1) Labor strike plan; (2) Licensing or other certifications; (3) Subcontracting plan; (4) Participation of small disadvantaged businesses. If a public shared service provider proposes to subcontract work to the private sector shared service provider, HUD expects that public sector Shared Service Provider to provide maximum practicable opportunities for small businesses to participate in such subcontracting. Requirements related to a labor strike plan, licensing and other certifications may apply to work that is subcontracted.

## **L.9 TECHNICAL QUESTIONS**

Offerors must submit all technical questions concerning this solicitation in writing to the Contracting Officer, [Jennifer T. Johnson@HUD.gov](mailto:Jennifer.T.Johnson@HUD.gov). Questions must be received no later than ten (10) calendar days after the date of this solicitation. HUD will answer questions that may affect offers in an amendment to the solicitation. HUD will not reference the source of the questions.

Unless the question is of a general nature and not specific to a particular portion of the Request for Proposal, each question submitted must cite the particular solicitation document (i.e., Statement of Objectives, Functional Requirements Document, etc....), page and the paragraph number/section for which the question pertains.

## **L. 10 LATE SUBMISSIONS**

Late submissions are subject to the terms and conditions set forth in FAR 52.215-1.

**L.11 AS 2112 SPECIAL INSTRUCTION REGARDING LOBBYING DISCLOSURES**

If the Offeror is required to complete an SF-LLL Disclosure of Lobbying Activities (see FAR 52.203-11), the Offeror may obtain the form from HUD's internet homepage at:

<http://www.hudclips.org/cgi/index.cgi>

**L.12 TYPE OF CONTRACT**

- (a) The Government intends to award a fixed price (FP) type contract with firm fixed unit prices to the offeror who provides the overall best value as determined by the Government.
- (b) The services and products to be procured are to be priced separately. The Offeror should integrate its description of these products and services into the Offeror's overall response

**L. 13 DISCLOSURE OF HUD'S PREVIOUS ACTIVITIES WITH A GOVERNMENT SHARED SERVICE CENTER (SSC)**

- (a) On August 10, 2005, HUD issued Request for Information No. RFI8-10-2005, at the Federal Business Opportunities website (<http://www.fedbizopps.gov/>), to conduct a survey of the commercial marketplace to assess potential offerors technical and functional capability to integrate HUD's current core financial functions into the PeopleSoft COTS core financial software and to bring the system up using a Financial Management Shared Service Center. Based upon the responses we received, HUD later issued a Request for Quotation (RFQ) to the Department of Transportation/Enterprise Service Center (DOT/ESC), an OMB-designated government shared service center.
- (b) In response to HUD's RFQ, DOT/ESC submitted a proposal. HUD later discontinued communications with that entity, pending the release of OMB's guidance on "Competition Framework for Financial Lines of Business Migrations."
- (c) Consistent with OMB's May 22, 2006 guidance, HUD decided to conduct a full and open, public/private competition to procure the services necessary to modernize its accounting and financial functions. In August 2006, HUD cancelled the RFQ and notified DOT/ESC of its decision to procure the services for HIFMIP on a competitive basis.

- (d) In its August 2006 communication to DOT/ESC HUD notified DOT/ESC representatives that HUD was unaware of any apparent, actual, or potential conflicts of interest that would preclude DOT/ESC and their business partners from submitting proposals after HUD issued its final RFP. At that time, DOT/ESC was also informed that when proposals were received, HUD would review each proposal to determine if any actual or potential conflict of interests exists.
- (c) In the interest of full disclosure, fairness to all prospective offerors and to mitigate the potential for conflicts of interest, this RFP includes all the information previously provided to DOT/ESC. In addition, HUD released the draft solicitation to all offerors at the Federal Business Opportunities website (<http://www.fedbizopps.gov/>) in August 2006.

#### **L.14 NOTIFICATION OF POTENTIAL ORGANIZATIONAL CONFLICT OF INTEREST (OCI)**

- (a) The prospective contractor warrants, to the best of its knowledge and belief, that it is not aware of any information bearing on the existence of any potential organizational conflict of interest. If the prospective contractor cannot so warrant, it shall provide a disclosure statement in its proposal that describes all relevant information concerning any past, present, or planned interests bearing on whether its (including proposed subcontractors and/or consultants) may have a potential organizational conflict of interest. The disclosure statement must address and identify any actual or potential OCI within the offeror's corporate organization. Each offeror will be evaluated individually on the basis of the information disclosed pursuant to the requirements of this provision and upon the adequacy of the offeror's plan for avoiding, neutralizing, or mitigating such conflicts. The Contracting Officer will determine an offeror's eligibility for award based on the information provided in the disclosure statement.
- (b) Prospective contractors should refer to FAR Subpart 9.5 for policies and procedures for avoiding, neutralizing, or mitigating organizational conflicts of interest.
- (c) If the Contracting Officer determines that a potential conflict exists, the prospective contractor may not receive award unless the conflict can be avoided or otherwise resolved through the inclusion of a special contract clause or other appropriate means. The terms of any special clause are subject to negotiation.

#### **L.15 NON-GOVERNMENT SUPPORT**

- (a) Contractor support services may be used to assist the Government in performing technical and/or cost evaluations of offeror's proposal. Support contractors, if used, will be authorized access only to those portions of the proposal data and discussions that are necessary to enable them to provide advice on specialized matters or on particular problems. Any restrictive notice shall not preclude disclosure to support contractors.

## **L.16 AS 2102 LIMITATION ON SIZE OF TECHNICAL PROPOSAL**

- (a) Offerors shall limit Volume 1 (Executive Summary) and 2 (Mission Capability) of their initial offers to 100 pages as shown in Table 1 – Proposal Organization except for the information specifically exempted in Table 1 – Proposal Organization. Offerors are cautioned that if Volume 1 of their offers exceeds this page limitation, the Government will evaluate up through the permitted number of pages only. **Pages beyond that limit will not be evaluated.**
- (b) Page size shall be 8.5 x 11 inches, not including foldouts. The text size shall be no less than Times Roman 12 point. Use at least one-inch margins on the top and bottom and 3/4 inch side margins. The page size for the Fit-Gap Report shall be 8.5 x 14 inches (legal size) with scaling set to no less than 70%. Pages shall be numbered sequentially by volume.
- (c) Legible tables, charts, graphs and figures shall be used wherever practical to depict organizations, systems and layouts, implementation schedules, plans, etc. These displays shall be uncomplicated, legible and no larger than 11 by 17 inches. Foldout pages shall fold entirely within the volume. Foldout pages may only be used for large tables, charts, graphs, diagrams and schematics but not for pages of text. For tables, charts, graphs and figures, the text shall be no smaller than 8 point. Foldout pages will be counted as two pages in relation to the page limits set under this RFP. If graphics are included that contain screen shots of actual software or computer screens, the 8-point font limitation does not apply.
- (d) Offerors are encouraged to use recycled paper and to use both sides of the paper (See FAR clause 52.204-4).

## **L.17 PROPOSAL PREPARATION**

***Offerors must propose on the entire effort as specified in this solicitation.***

***Alternative proposals will be rejected in their entirety.***

- (a). General Instructions
  - (1). This section provides instructions that the offeror must follow in preparing responses to this RFP.
  - (2) HUD will evaluate only those proposals that fully meet our objectives as outlined in Attachment 1 and that respond to the instructions in this section. In situations where teams are formed to respond to this RFP, a single organization must be identified as the prime offeror. This organization will be responsible for meeting performance objectives described in the SOO, and will contract directly with the Government. In

addition, we request that offerors provide a single point of contact that is responsible for interacting with HUD for the duration of the competition.

(3). HUD recognizes that information requested, in particular, parts of the technical solution and the pricing data, may be confidential. Proprietary information must be protected from improper disclosure under Federal law. The offeror should appropriately mark submitted materials as proprietary, where such restrictions should apply.

(4). The proposal shall be clear, concise, and include sufficient detail for effective evaluation and for substantiating the validity of stated claims. The proposal should not simply rephrase or restate the Government's requirements, but rather shall provide convincing rationales to address how the Offeror intends to meet these requirements. Offerors shall assume that the Government has no prior knowledge of their facilities and experience and will base the evaluation on the information presented in the Offeror's proposal.

(5). **Do not submit** elaborate brochures or documentation, binding, detailed artwork, or other embellishments.

(6) The Offeror shall clearly state in the proposal cover letter that the proposal is valid for 150 days from the proposal due date.

(7). Each volume of the proposal shall be separately bound in a three-ring loose-leaf binder that permits the volume to lie flat when open. Do not use staples. A cover sheet should be bound in each book, clearly marked as to volume number, title, copy number, solicitation identification and the Offeror's name. The same identifying data should be placed on the spine of each binder. The offeror shall submit ten (10) complete copies of their binder-bound proposals.

(8). Provide the name, title, email address, and telephone number of the organization point of contact who has responsibility to bind your company or federal agency and who is designated as the point-of-contract to negotiate contractual arrangements.

(9). The offeror shall submit ten (10) complete copies of their proposals on CDs. Electronic copies must be in MS Word 2000, MS Excel 2000, MS Project 2002. **NO e-MAIL SUBMISSIONS WILL BE ACCEPTED.**

In addition, each volume must contain the following information:

- Name of Offeror (Team)
- Name of Solicitation
- Solicitation Number
- Volume Name and Number
- Service Provided
- Date

**(b). Proposal Organization**

The Offeror's proposal shall be organized accordingly:

- Volume 1: Executive Summary
- Volume 2: Mission Capability and Past Performance
- Volume 3: Small Business Participation (as applicable)
- Volume 4: Documentation
- Volume 5: Price Proposal

The Offeror must prepare each volume in accordance with the organizational requirements in Table 1 Proposal Organization below including only those sections that are required based on the services the offeror is proposing.

**Table 1. - Proposal Organization**

VOLUME	VOLUME TITLE	COPIES: Hard/CD ROM	PAGE LIMIT
1	<b>Executive Summary With Assumptions</b>	10 / 10	8
2	<b>Mission Capability Summary Including Organization Chart</b>	10 / 10	2
Section 2A	<b>Mission Capability - Technical</b> Technical Proposal Narrative	10 / 10	30
Section 2B	<b>Mission Capability - Management</b> Management Proposal Narrative	10 / 10	30
Section 2C	<b>Mission Capability - Functional</b> - Functional Proposal Narrative	10 / 10	30
Section 2D	<b>Past Performance</b> - Performance References	10 / 10	No Page Limit
3	<b>Small Business Participation</b> Small Business Subcontracting Plan and Small Disadvantaged Business Plan	10 / 10	10
4	<b>Documentation</b> <b>with Page Limitations:</b>	10 / 10	

VOLUME	VOLUME TITLE	COPIES: Hard/CD ROM	PAGE LIMIT
	<ul style="list-style-type: none"> <li>a. Transition Plan (Technical)</li> <li>b. HIFMIP ICFS Risk Assessment &amp; Mitigation Report</li> <li>c. Staffing Plan</li> <li>d. Certifications</li> <li>e. Contractor Quality Control Plan</li> <li>f. Government Quality Assurance Surveillance Plan</li> <li>g. Proposal Traceability Matrix</li> <li>h. Resumes for Key Personnel (4 pages for each proposed Key Personnel and each Non-Key Personnel)</li> </ul> <p><b>Documentation with no page limitations (NPL):</b></p> <ul style="list-style-type: none"> <li>i. Performance Work Statement (PWS) with CDRLs</li> <li>j. Integrated Master Plan or Project Work Plan</li> <li>k. Integrated Master Schedule with Contract Work Breakdown Structure</li> <li>l. Service Level Agreement (SLA)</li> <li>m. Fit-Gap Report (Both functional and technical)</li> <li>n. Letters of Commitment</li> </ul>		<ul style="list-style-type: none"> <li>10</li> <li>25</li> <li>20</li> <li>4</li> <li>10</li> <li>20</li> <li>10</li> </ul>
5	<p><b>Price</b></p> <ul style="list-style-type: none"> <li>(a). Section B - Price Schedule</li> <li>(b). All supporting documentation, explanations, assumptions and exceptions</li> </ul>	10 / 10	No Page Limit

VOLUME	VOLUME TITLE	COPIES: Hard/CD ROM	PAGE LIMIT
	(c). Subcontractor(s) and/or Consultant(s) information  (d). Proposed Payment Schedule  (e). Financial Statements  (f). Representations and Certifications  (g). Organizational Conflict of Interest Statement  (h). Organizational Conflict of Interest Disclosure Statement (if applicable)  (i). Signed SF 33		

(c). **VOLUME 1: EXECUTIVE SUMMARY**

Must be identified as Volume 1 and contain a brief introduction to the offeror’s technical proposal. The offeror must describe all assumptions made in preparing its technical proposal.

**VOLUME 2: MISSION CAPABILITY**

(1). The Offeror's proposal shall include all data and information and must be submitted in accordance with these instructions. Offerors must comply with the requirements as stated in the HIFMIP Statement of Objectives (SOO) see Section J, Attachment 1, Contract Data Requirements List (CDRL) (Attachment 15), and provisions and clauses stated in the Request for Proposal (RFP).

(2). The Offeror shall provide a Performance Work Statement (PWS) in response to the Statement of Objectives (SOO) contained in Attachment 1. The approved PWS will be incorporated into Section C of the resulting contract upon award.

(3). **Narrative Summary** – Must be identified as Volume 2 Section 1. Provides a concise summary of the entire proposal, including significant risks, and a highlight of any key or unique features. The salient features of the Narrative Summary should tie to the Evaluation Criteria in Section M5. Any summary material presented herein will not be considered as a substitute for any other requirement of the technical proposal. Include an organization chart of your company and any prime/team subcontractors. In addition,

the Narrative Summary must include an organizational chart and a master table of contents for the entire proposal. The master table of contents will not count toward the page limitation.

(4). **Mission Capability** – Must be identified as Volume 2 Section 2. The Offeror shall clarify its understanding of the objectives and requirements and clearly describe the approach for meeting the requirements identified in Section M of the solicitation. This section is subdivided into the Offeror’s Technical, Management and Functional approach to HUD’s requirement. Prospective Offerors are advised that these areas are crucial to selecting the Offeror that can best be expected to provide the overall best value to HUD on its resulting contract/Interagency Agreement. If a prospective Offeror provides examples of proven ability to successfully perform, it must be relevant to this contact and the PeopleSoft COTS product (see COTS Product Suite/FitGap Analysis, Attachment 14).

In this volume, the Offeror shall clarify its understanding of the objectives and requirements and clearly describe the approach for meeting the requirements that apply to each Mission Capability factor.

- a. The Mission Capability (MC) factors in the Evaluation Criteria (EC) focus on those areas considered crucial for evaluating and selecting the Offeror that can be expected to provide the best value to HUD on this contract. The Offeror is expected to propose in accordance with the instructions below.
- b. The proposal shall include the information requested by instructions in each factor. Any Offeror provided examples of proven ability to successfully perform shall be relevant to this contract and the PeopleSoft COTS product (see COTS Product Suite/Fit Gap Analysis - Attachment 14).
- c. The Mission Capability evaluation is comprised of three factors:  
Factor 1) Technical Capability and Approach  
Factor 2) Management Capability and Approach  
Factor 3) Functional Capability and Approach  
The following paragraphs provide instructions for each factor.
- d. **Volume 2 Section 2A – Technical Capability and Approach (Factor 1).**  
The Offeror must demonstrate an overall understanding of HUD’s Financial Management requirements and objectives, a sound technical approach, an in-depth understanding of the PeopleSoft COTS product suite (see COTS Product Suite/Fit Gap Analysis Attachment 14), the operating environments and constraints in which the solution will operate and the expandability and

scalability plans, operations considerations, sustainment approaches, and data standardization that will be used in support of their proposed ICFS solution. Specific information to be included in the technical portion of the Mission Capability Volume shall include:

1. Architecture, Installation, and Configuration. The Offeror shall describe their proposed ICFS-specific system architecture. This description shall detail the complete system's architecture and review how the proposed architecture is compliant with objectives, web-services, existing HUD data standards, and illustrate the inter-relationships with the Federal Enterprise Architecture (FEA) architectural framework. Offeror's description shall include an explanation of the Offeror's proposed approach to designing and developing the proposed architecture and the identification of what is needed to successfully integrate the PeopleSoft COTS product and system solution into the HUD ICFS architecture as illustrated in the HIFMIP FRD found in Attachment 18. This description of the proposed solution shall include planned use of COTS "bolt-ons" or Enterprise Application Integration (EAI) technology (to the limited extent inherent in the functional capabilities of the PeopleSoft COTS software), describe the level of automation integrated into the solution and explain how these COTS "bolt-ons" and EAI technology integrate with the proposed architecture, and other Federal government financial systems services. Information shall also include a review of how the proposed architecture provides interface/integration/data monitoring and management, and how the solution architecture is scalable. In addition, the Offeror shall describe their approach for supporting technology evolution and how new technologies can be incorporated into the proposed architecture.
2. The Offeror shall describe how the proposed technical architecture will be able to integrate with the existing HUD non-core financial systems and other related HUD and government financial services systems components. The offeror shall describe their approach to establish connectivity with the HUD wide-area-network and HUD's National Call center as needed to support the ICFMS requirement. The Offeror shall also address how their proposed solution incorporates Chief Financial Officer (CFO) Act compliance requirements and how the Offeror's approach addresses developing HUD's "end state" financial management architecture. The proposed solution must also comply with the Office of Federal Financial Management (OFFM), formally Joint Financial Management Improvement Program (JFMIP), standards as indicated in the Functional Requirements Document (FRD) (Attachment 18) and Data Requirements Document (DRD) (Attachment 17) and take into account the need for a "cross-walk" between the current and "end state" data architectures as well as address how this "cross-walk" will be used to support data synchronization between the Offeror's proposed solution and legacy

systems. Details provided should allow HUD to have a firm understanding of the data types supported, the flexibility of data tools, how/what types of metadata are captured/supported, and what types of data schemes are supported by the proposed solution.

3. The Offeror shall identify its solution for providing ICFS development and sustainment environments. Offeror use of the Shared Service Center facility throughout the program's life-cycle (to include the development and configuration phases) is optional. Use of the Shared Service Center facility for ICFS integration, staging, and testing is mandatory.
4. The Offeror shall identify its strategy and approach for establishing the HUD ICFS support environment at the Financial Management Shared Service Center. The Offeror's approach should include obtaining and installing the necessary hardware, software, and networking equipment at the Shared Service Center (and at HUD and/or the System Integrator's facility, as necessary) providing ICFS development and sustainment environments.
5. The Offeror shall describe their approach for configuring all hardware, software, and networking equipment at the Shared Service Center (and at HUD and/or the System Integrator's facility, as necessary).
6. The Offeror shall identify its strategy and approach for technology refreshes to support ICFS/ICFMS throughout its life-cycle.
7. Systems Engineering (SE). The Offeror shall describe their approach for applying a qualitative, complete, disciplined, and systematic SE process during all phases of the product design, configuration, deployment, and sustainment lifecycle. This shall include a detailed description of any company specific practices or processes used/proposed and the impact of these practices or processes on the Offeror's ability to reduce software and middleware complexity, improve design understandability, simplify versioning and configuration updating. The Offeror shall describe how their specific practices and processes relate to completing reports, interfaces, conversions, and extensions tasks, and, how these practices and processes minimize deficiencies and correction time during testing. The Offeror shall identify their Software Engineering Institute (SEI) Capability Maturity Model (CMM) level or equivalent standard to ensure quality repeatable processes.
8. The Offeror shall describe the proposed ICFS-specific approach and strategy for maintaining and sustaining a Joint Financial Management Improvement Program (JFMIP) qualified solution, to include maintaining integration and interoperability with the PeopleSoft COTS products and version upgrades that comprise the ICFS solution using the Shared Service Center. This description shall include a review of

the management approach for: version upgrades; minimizing changes to configurations, “bolt-ons” and extensions; life-cycle management of custom extensions and other system “Bolt-ons”; the logistics of incorporating changes into production and on-going and new implementation and configuration activities; and minimizing the impact to users of the ICFS solution due to upgrades. The Offeror shall describe the ICFS specific approach and methodology for performance standards development and measurement within a Service Level Agreement (SLA). The Offeror shall describe their ICFS specific approach for updating the Service Level Agreement (SLA) and their approach for addressing deficiencies in performance per the SLA.

9. The Offeror shall describe the ICFS specific approach and methodology for performance standards measurement and reporting within the Service Level Agreement. The Performance Work Statement (PWS) shall detail the performance reporting task. The Offeror shall describe their approach to rectifying any reported performance deficiencies.
10. The Offeror shall describe the ICFS specific approach and methodology for process development to include the identification, design, documentation, and development and testing of processes for reports, interfaces, conversion routines, and potential extensions (RICE) to the PeopleSoft COTS software and custom automated workflows. Additionally, the Offeror shall describe the approach for providing appropriate deliverables to include, but not necessarily be limited to, updating existing ICFS documents such as the ICFS Current Systems Disposition Plan and the ICFS Roadmap and developing test plans, scripts, and expected results.
11. The Offeror shall describe their approach for executing testing strategies at the Shared Service Center (planning, controlling, executing, and reporting) that provide functional and technical support to HUD testing (IV&V) efforts; ensuring the system solution is fully tested by the Offeror prior to the beginning of HUD testing and for ensuring that all related test plans, automated scripts, automated test artifacts, expected results, actual results, and a configured ICFS system database loaded with production-like data are provided to HUD for review and approval prior to the beginning of testing. It should be known that HUD OCFO would not consider parallel testing and opts for more stringent testing earlier with a robust testing prior to cut-over.
12. The Offeror shall describe their approach for providing Help Desk services during deployment and sustainment and for providing connectivity with the HUD National Call Center. The Offeror shall propose specific metrics, levels of support, hours of operations, and integration with development and sustainment activities. The Offeror’s approach shall include HUD’s requirement for the Tier 1

support to begin with the HUD 800 telephone number that integrates with the HUD National Call Center and desktop support. While HUD ICFS will need all Help Desk tier support, the Offeror shall include the requirement that HUD FHASL Tier 2 support for Functional and Process assistance be switched to HUD FHA operational support teams who are already familiar with current FHA business processes and are already performing their integration work. (Please refer to Attachments 11 and 18 for additional information.)

13. The Offeror shall propose a transition strategy and approach within a draft Transition/Cut-Over Plan. Please refer to the constraint in the SOO (Attachment 1, Section 8.2.)
14. The Offeror shall propose a solution that ensures the creation and management of an open standards-based, integration management solution for large-scale, complex enterprise solutions that also provides a dynamically managed, automatically monitored, and fault-tolerant integration solution. The Offeror shall describe how the integration techniques maximize interoperability and integration between PeopleSoft COTS and legacy systems and minimizes management, reconfiguration, and scrap/rework. Additionally, the Offeror shall convey how the proposed integration techniques affect the ICFS program office, CFO staff, users, and contractors responsible for maintenance and operation of interfacing systems.
15. The Offeror shall describe how the proposed incremental production roll-out approach will ensure a timely rollout of the ICFS system while minimizing the impact to the ICFS user community, provide production cutover to include data conversion and migration, *user acceptance of robust system testing*, and how the proposed approach and development/configuration standards are improved.
16. The Offeror shall describe how the ICFS proposed methodology, approach, management process, and solution identifies and mitigates potential risks and key challenge areas related to synchronization of version upgrades for ICFS increment configurations, selected COTS products, and third-party “bolt-ons/extensions”.
17. The Offeror shall describe the proposed continuity of operations process and demonstrate how it supports geographically separated locations; the production environment; fail over, recovery, and backup/restore capabilities; and alert processes based on performance metrics.
18. The Offeror shall describe the methodology and approach to interface/integration of ICFS with other applications (e.g. legacy

systems, ERP systems etc) including any proposed middleware platform, software, and support.

19. The Offeror shall describe the approach and methodology to identify, analyze, validate, and satisfy the “to-be” technical requirements and processes as defined in the Functional Requirements Document (FRD) and the Fit-Gap Report. The Offeror shall describe the proposed process for configuring the PeopleSoft COTS package and explain how any gaps are to be filled by their proposed system solution including a description of anticipated HUD involvement. HUD has also provided the Offeror with a Fit-Gap Template (Attachment 5). When the template has been completed it is then identified as the Fit-Gap Report (FGR) and shall be submitted by the Offeror as part of Volume 2 Section 2D.
20. The Offeror shall complete the OMB Financial Management Shared Service Center Due Diligence Checklist as instructed in section 4.8.14. The Due Diligence Checklist template is included as Attachment (26). For all yes or no responses, please provide comments explaining your response. For any no response, the Offeror shall respond if the screening question will be met prior to ICFS system cutover. The Offeror shall complete all questions and indicate if the deployed software system is extensible to service ICFMS needs.
21. The Offeror shall describe their approach to managing the PeopleSoft licenses (Attachment 32), and all other licenses or leases that may become necessary to acquire, maintain, and discontinue over the life-cycle of the project.
22. The Offeror shall describe their approaches for complying with the latest version of all applicable standards including but not limited to: providing support for Department-wide audits, reviews, assessments, investigations; and providing support for review and qualification procedures for federal systems in accordance with NIST standards.

e. **Volume 2 Section 2B – Management Capability and Approach (Factor 2)**

The Offeror shall clearly define a comprehensive, integrated, and cost-effective overall management approach to manage this contracted effort. The Offeror shall also demonstrate an overall understanding of the requirements and objectives and a sound management approach and methodology utilizing the proposed staffing plan to accomplish the full spectrum of COTS System Integrator (SI) and Shared Service Center management support. Additionally, the Offeror shall define the proposed solution for applying a comprehensive and integrated approach and methodology that applies the Offeror's standard practices, tools, and qualified staff to flexibly manage concurrent and complex life-cycle efforts. The Offeror's management volume shall include:

1. The Offeror shall describe the proposed approach for applying rigorous project planning and management to ICFS. The Offeror shall: describe the proposed overall ICFS specific project work plan (PWP) also referred to as the Integrated Master Plan (IMP) inclusive of program task identification and description, Integrated Master Schedule (IMS) inclusive of task decomposition, and Risk Management Plan.
2. The Earned Value Management System (EVMS) guidelines will apply to all work included in the contract or Interagency Agreement. The Offeror shall include the EVMS clause as a task in the Performance Work Statement with all identified products scheduled as deliverables. \
3. The Offeror shall describe the proposed approach to successfully apply Configuration Management and Change Control strategies, processes, and tools to ICFS to minimize program risk and maximize the likelihood of success throughout the life cycle and potentially across multiple increments. The Offeror shall produce all system configurations in accordance with HUD's System Development Methodology (SDM). (Please refer to Section C.8.2 for the internet site for HUD's SDM.)
4. The Offeror shall propose their Shared Service Center solution for creating, implementing, and sustaining a SSC that is responsible for facilitating, transitioning, and supporting a standardized, common configuration in a long-term, multi-increment environment for ICFMS. The Offeror shall describe their proposed approach for performing and enforcing configuration management processes in a long-term, multi-increment environment to include: identification of proposed configuration management tools; interaction/synchronization between the SI(s) and Shared Service Center; and effective knowledge transfer between project phases, increments, and system integration, throughout the life-cycle of the program.
5. The Offeror shall describe the approach and the proposed solution for maintaining and managing the system and architecture documentation library

to include, but not be limited to, Operational Views, System Views, Technical Views, PeopleSoft configuration, database documentation, ICFS life-cycle training, and interface documentation. The Offeror shall specify where the libraries are to be maintained and specify how HUD staff may access the libraries.

6. The Offeror shall describe their management approach for complying with all applicable standards and guidelines for managing the HIFMIP Integration and Hosting work.
7. Describe the approach to: manage and execute process integration, both vertical (in-house) and horizontal (across the prime and subcontractors) to achieve seamless and effective performance of the required effort.
8. **Staffing Plan, Integrated Team Management, Key and specified Non-Key Personnel, Sub-Contracting Utilization, and Expectation/Relationship Management.**

- a. Describe the proposed approach for staffing and retaining ICFS personnel. Provide a staffing plan that ensures the availability, proper breadth, depth of experience, depth of Offeror's reach back bench, staffing mix, and projected time-phasing of qualified prime and subcontractor personnel/positions (education, expertise, and experience) that will be required to support this project (see section 4.8.9). The Offeror shall also propose their ICFS-specific retention strategy and personnel replacement/rollover strategy for providing maximum continuity of key personnel across the project's life cycle and the process proposed in the event a change is made to key personnel assigned to the project. The Offeror shall include resumes for all key personnel, identified in Section I.16, and the following specified non-key personnel.

- 1) Deputy Project Manager
- 2) Network/System Engineer
- 3) Data Base Administration Manager
- 4) BPR Team Leader
- 5) Reports Team Leader
- 6) Security Team Leader
- 7) Federal Financial Management / Subject Matter Expert

No additional resumes will be evaluated.

The Offeror shall also identify all financial and government accounting professional certifications applicable for each key personnel and project management certifications for program/project managers or task leaders.

- b. The Offeror shall also provide the level of commitment in terms of amount of time to be dedicated to the contract for each Key Person. (As

an example, the Project Manager is expected to dedicate 100% of his/her time to the contract.)

- c. The Offeror shall demonstrate that all key personnel are available at the start date of their first assigned task, and if not currently employed, each key person must have submitted a signed letter of commitment.
  - d. Additionally, the Offeror shall identify the proposed subcontractors, targeted areas/roles of subcontractor support, percentage of work, and resource levels targeted for subcontractor support for this project. The Offeror shall provide a breakdown of staff assigned to Project Work Plan tasks along with the number of hours each key personnel is assigned to each task. The Offeror shall ensure that this information matches their price proposal information.
  - e. The Offeror shall also provide the proposed approach for using and enforcing standard, mature processes across the proposed integrated prime contractor/subcontractor team.
  - f. The Offeror shall propose a strategy, and identify and describe the plan for developing and managing long-term relationships/partnerships/expectations with technical teams, HUD, HUD users, HUD contractors, subcontractors, vendors, and other stakeholders in order to provide best value to HUD in a rapidly changing environment. This strategy shall articulate the amount of support, review durations, and expectations of Program Management Office (PMO) and other government support organizations.
9. The Offeror shall provide an ICFS-specific integrated approach to accomplish life-cycle documentation and program deliverables (technical, functional, and management) that include but are not limited to: system specifications; operational configuration changes; logical/physical data models; change requests; and other documentation proposed in the Offeror's solution. The Offeror shall articulate the frequency and duration of support required of all team members including, but not necessarily limited to, the various teams within the ICFS PMO, of other Government support and for documentation reviews. The Offeror's documentation solution shall identify the deliverables in outline fashion (table of contents) by tasks/phases, and incorporate HUD-identified mandatory and Offeror-recommended deliverables). The Offeror shall produce all system documentation in accordance with HUD's System Development Methodology (SDM) where applicable and shall use HUD's current versions of MS Word, MS Excel, MS Powerpoint, and MS Project for all deliverables and documentation. Offerors shall provide sufficient detail to allow HUD to understand the technical approach of the Offeror's proposed documentation.

f. **Volume 2 Section 2C—Functional Capability and Approach (Factor 3).**

The Offeror shall clearly define a comprehensive, integrated, and cost-effective approach and methodology that apply suitable best practices, tools, and qualified staff to satisfy ICFS functional requirements while maximizing the level of system-wide automation in the solution. The Offeror shall demonstrate an overall understanding of the ICFS-specific requirements and a sound methodology including the tasks, deliverables and tools required to complete each activity via the proposed ICFS staffing mix, to accomplish the full spectrum of ICFS System Integrator functional responsibilities to include:

1. The Offeror shall propose a COTS Business Process Reengineering (BPR) solution that provides for improved financial methods and processes for the Department of Housing and Urban Development (HUD), supported by the PeopleSoft COTS package. The solution shall demonstrate a high level of understanding of the ICFS “to-be” financial processes defined in the Functional Requirement Document (FRD) and the Statement of Objectives (SOO). The Offeror shall provide at a minimum, a description of: the inputs to the BPR; the proposed BPR process; the use of modeling techniques; the division of roles and responsibilities (including levels of involvement) between HUD and Offeror teams; where the BPR activities will take place; and how the Offeror’s BPR approach will lead to success in translating and mapping HUD financial and accounting processes to PeopleSoft COTS functionality.
2. The Offeror shall convey their Organizational Change Management proposed approach to support on-going Change Management tasks that include, but are not necessarily limited to: solution familiarization/communication; product roll-out preparation; HUD user readiness/preparation; solution marketing; and organizational planning. The Offeror shall propose the approach to facilitate the organizational, cultural, and change acceptance necessary for adopting/adapting re-engineered/modernized business processes and solutions in the Department of Housing and Urban Development environment.
3. The Offeror shall propose an ICFS-specific approach and methodology for training that includes multiple, flexible training approaches and covers the full spectrum of comprehensive, innovative, and cost effective training throughout the ICFS life cycle. The proposed approach and methodology shall align with the requirements described in the ICFS Training Plan for HUD users including OCFO, FHA, Ginnie Mae, and OFHEO personnel. The training approach shall include all components necessary to prepare the HUD user community to successfully perform their roles in the “to be” ICFS environment. Additionally, the training approach shall address post go-live training and the ongoing measurement of the personnel’s efficiency in order to apply targeted training to areas of deficiency. The Offeror shall clearly explain proposed HUD involvement (e.g., subject matter experts, end users,

etc.), methods, tools, types of training (e.g., classroom, Computer Based Training (CBT)/e-learning, long-distance learning, etc.), and training plans to include training materials, scheduling, execution, evaluation, and any other training plans and approaches provided by the strategy. The Offeror shall also demonstrate an understanding that each successive option year will require training.

4. The Offeror shall describe its ICFS-specific functional compliance approach and methodology for ensuring that ICFS is developed in a manner that is consistent and compliant with the CFO Act, FFMA, the President's Management Agenda (PMA), the OMB Financial Management Line of Business (OMB FMLOB), the HUD SDM, modern business practices, customer service, and other standards and regulations included in this RFP. The Offeror shall further describe its approach for creating auditable financial statements that will enable HUD to achieve an unqualified audit opinion.
5. The Offeror shall describe its ICFS specific approach for accomplishing/implementing existing as well as improved HUD functional capabilities. These capabilities, which are discussed below, have been divided into the following major functional categories: funds management; purchasing (commitments and obligations); accounts payable (expenditures) and accounts receivable; cost management; general ledger management; and financial reporting. A maximum of five pages per major functional category is permitted and must be contained within the Functional Proposal page count as identified in Table 1.
  - a. Funds Management - The Offeror shall describe its approach for developing and standardizing a chart of accounts and accounting structure to support HUD appropriations, apportionments, allotments, and operating plans in accordance with HUD's Funds Control Plans. The Offeror's description should address: consolidation and integration of HUD, OCFO, FHA, Ginnie Mae, and OFHEO; management of multi-year, single year, no year by source year; and credit program funds; and management of limits on mortgage insurance funds and subsidies. The Offeror shall also describe its approach to reconciling commitment control activity in ICFS with budgetary accounts.
  - b. Purchasing - The Offeror shall describe how both budgetary commitment and obligation limitations will be managed for some program areas while only obligation limitations are managed (without prior reservations) in other program areas. The Offeror shall also describe how multiple obligation document identifiers will be maintained within ICFS to permit reconciliation with legacy systems and to validate against the CCR prior to payment. The Offeror shall also describe how multiple vendor and customer identifiers will be maintained within ICFS to permit reconciliation with legacy systems

and to support program requirements (such as grantees and Public Housing Authorities).

- c. Accounts Payable (Expenditures) and Accounts Receivable - The Offeror shall describe their approach for using the Central Contractor Registry (CCR) in connection with the ICFS and for coordinating information from the CCR with information about other entities (e.g. grantees, Public Housing Authorities, etc.) not maintained in the CCR. The Offeror shall also describe its approach to reconciling accounts payable and accounts receivable activity with activity in the general ledger.
- d. Cost Management – The Offeror shall describe their approach to ensure the ICFS collects and records required obligation and cost information to enable HUD management to manage Federal programs for purposes of:
  - 1) Budgeting and cost control
  - 2) Performance measurement
  - 3) Determining reimbursements and setting fees and prices
  - 4) Program evaluations
  - 5) Making economic choice decisions.

The Offeror shall also describe their approach to provide relevant and reliable information relating costs to outputs and activities to:

- 1) improve operational efficiency and economy;
  - 2) assist Congress and executives in making decisions about allocating federal resources, authorizing and modifying programs and evaluating program performance; and
  - 3) ensure consistency between costs reported in general purpose financial reports and costs reported to program managers; including standardizing terminology for managerial cost accounting to improve communication among Federal organizations and users of cost information
- e. General Ledger Management - The Offeror shall describe its approach to managing and configuring posting models: to maintain adequate controls and accuracy across program areas and across HUD organizations (e.g., HUD, OCFO, FHA, Ginnie Mae, OFHEO) and assist HUD in reducing manual journal entries. The Offeror shall describe its approach to configuring and controlling ICFS so that subsidiary ledgers (FHA, Ginnie Mae, OFHEO) can be closed on schedules independent of, and in advance of, HUD OCFO and HUD consolidated general ledger accounts.
- f. Financial Reporting - The Offeror shall describe its approach to producing external reporting requirements, including in particular the financial statements required for audits, directly from ICFS both on a

consolidated basis and separately for HUD OCFO, FHA, Ginnie Mae, and OFHEO.

6. **Functional Requirements and Reports Confirmation:** The Offeror shall describe the approach and methodology to identify, analyze, validate, and satisfy the “to-be” processes as defined in the Functional Requirements Document (FRD). The Offeror shall describe the proposed process for configuring the PeopleSoft COTS package and explain how any HUD requirement gaps are to be fulfilled by PeopleSoft or “bolt-ons” with ICFS including a description of anticipated HUD involvement. HUD has provided the Offeror with a Fit-Gap Template (Attachment 5) that the Offeror shall complete in accordance with the instructions provided. When the template has been completed it is then identified as the Fit-Gap Report (FGR).
7. **Requirements Management and Traceability:** The Offeror shall describe its ICFS-specific approach for ensuring/validating that each functional requirement is satisfied by the proposed solution during each relevant step/phase of the project life cycle. The Offeror shall also describe the mechanism (process/procedures) for resolving requirements interpretation differences between HUD and the Offeror throughout the project life cycle.
8. **Data Conversion:** The Offeror shall describe the ICFS specific approach and methodology for data conversion (as described in the Data Requirements Document) to include the identification, collection, preparation, and loading of data into ICFS. The Offeror shall provide a detailed description of the proposed HUD and Offeror responsibilities related to data conversion including recommended processes, timeline, and tools.
9. **Rollout and Post Implementation Support:** The Offeror shall describe its ICFS-specific approach and methodology for completing the rollout and post implementation support effort, including a description of the tasks to be performed and the number and skills of the Offeror and HUD personnel that will be involved with the post implementation support effort. The Offeror shall describe its approach for go-live preparation including a description of anticipated HUD involvement. The Offeror shall describe its proposed approach for accomplishing implementation, post implementation support, and dual processing.
10. **Technology:** Currently, HUD depends on mail and fax for some transactions to get into its financial systems. The Offeror shall describe its approach to reduce such dependence using the new ICFS; to provide ICFS automated notification functionality; and to make ICFS web-enabled with the appropriate level of security. A high percentage of ICFS transactions will be interfaced from feeder systems and ICFS will feed a number of systems through outbound interfaces. The Offeror shall describe their approach for managing both online real time and batch transactions including controls and traceability. OCFO-designated personnel will need the capability to control

files and ensure that all incoming/outgoing files are received/produced in accordance with the interface schedule. The Offeror shall describe its approach for controlling interface files and monitoring their posting/delivery to prevent data degradation. The Offeror shall demonstrate their approach for keeping online real-time interfaces with the following HUD legacy systems: HUD Procurement System (HPS); Small Purchase System (SPS); eTravel; and FHASL interfaces: Single Family Asset Management (outsourced service provider); Multifamily Property Accounting and Loan Servicing System (CSMS) (that is currently owned and operated for HUD by DynAccSys). Additionally, the Offeror shall describe its approach for providing a user-friendly process for identifying interfaced transactions or files that are rejected by ICFS and its approach for addressing these rejections. This description shall include any features or functions both within the PeopleSoft COTS and built into the interfaces to facilitate exception processing. The Offeror shall produce all system components including interfaces in accordance with HUD's System Development Methodology (SDM).

11. Assistance for HUD and Legacy Support Contractors: The Offeror shall describe the hardware, support software, and labor force available to HUD and support contractors for all ICFMS life-cycle activities, e.g., data conversion, interfaces, IV&V testing, interface testing. The Offeror shall also describe its use of relational database technology that uses highly effective reporting facilities for reporting on any phase of the financial cycle.
12. Roles and Rules-Based Transaction Controls: The Offeror shall describe their approach for disallowing certain transactions based on roles and rules governing those transactions. For example, some grantees can draw funds before reporting performance data; ICFMS should disallow this practice, except for certain designated grantees. Another example is the ability for ICFS to perform automated funds de-obligation with the appropriate levels of controls based on established business rules. Other examples are: (1) that a HUD employee may have the authority to obligate, but that employee cannot approve payments for that obligation, and (2) CPD employees may enter CPD transactions, but other HUD organizations (such as FHA, Ginnie Mae, PIH) may not enter those transactions.
13. Functional and Data Security: The Offeror shall describe their approach for maintaining appropriate levels of security in accordance with federal policies. The Offeror shall describe their approach for providing an automated recertification process that would enable HUD to manage security compliance, controls and oversight requirements. The Offeror shall also describe the backup process to ensure the maximum level of data security.
14. Productivity: The Offeror shall describe its approach for ensuring that ICFS provides timely financial information to support decision-making in an effort to turn employees from transaction processors into financial analysts, and provide the analysis tools/capabilities they will need. The Offeror shall also

provide better reporting tools/capabilities to streamline automated reconciliation. The Offeror must describe the approach for processing the number of transactions from HUD users and posting to the correct accounting period across time zones. The description shall include precautionary measures to ensure that work is not lost from resource failure or user error.

**g. Volume 2, Section D - Past Performance**

1. The Offeror and each subcontractor expected to receive 20% or more of the work must provide a list of references for all on-going contracts, and contracts completed not more than three (3) years prior to the date of release of this solicitation for HIFMIP Integration and Hosting services. The references provided must demonstrate performance relevant to the performance requirements specified in this solicitation.
2. The contracts and subcontracts listed may include those entered into with Federal, State and local governments, and commercial businesses, which are of highly similar in scope, magnitude, and complexity to the performance requirements that are described in this solicitation (offerors shall describe the relevancy of each reference to the requirements in the solicitation.). Non-Federal past performance will be evaluated equally with Federal past performance.

Each reference shall be no more than 3 pages and include the following information:

- Name of the Contracting Organization
  - Contract Type
  - Contract Number/Task Order Number
  - Original Contract dollar value and current or actual dollar value
  - Designation as Prime or Subcontractor
  - Period of Performance
  - Customer Point of Contact or reference having knowledge of contract performance (name, title, telephone number, e-mail address)
  - Description of work performed, including statement of similarities of the work and the proportion of the work performed to that of the objectives in HUD's SOO and tasks identified in the Offeror's proposed Performance Work Statement
  - Completion Date
  - List of significant subcontractors
3. Offerors shall not provide general information on their performance on the identified contracts and subcontracts. General performance information will be obtained from the references.
  4. Offerors may provide information on problems encountered during the performance of the contract(s)/subcontract(s) and corrective actions taken on the identified contracts and subcontracts.
  5. Past performance information will be used for both responsibility determination and as an evaluation factor for award.

**VOLUME 3 - SMALL BUSINESS PARTICIPATION.**

**a. Volume 3, Section 1: Small Business Subcontracting Plan**

The offeror shall provide the following information:

1. For this solicitation, the applicable North American Industry Classification System (NAICS) code is 541519 and the Small Business Size Standard is \$23.0 million gross average annual sales for the preceding three years.
2. Offerors shall submit a Small Business Subcontracting Plan in accordance with FAR 52.219-9, Alternate II, which meets or exceeds HUD's Small Business Subcontracting Goals, see Section L.17. (Federal/public providers are exempt from this requirement). However, if a small business concern or a federal agency proposes to subcontract work to the private sector, it is HUD's policy to provide the maximum practicable opportunities for small businesses to participate. In addition, requirements related to a labor strike plan, licensing and other certifications may apply to the work that is subcontracted.

**Volume 3, Section 2 – Small Disadvantaged Business Participation**

**FAR 52.219-24 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--TARGETS (OCT 2000)**

(a) This solicitation contains a source selection factor or subfactor related to the participation of small disadvantaged business (SDB) concerns in the contract.

(b) In order to receive credit under the source selection factor or subfactor, the offeror must provide, with its offer, targets, expressed as dollars and percentages of total contract value, for SDB participation in any of the North American Industry Classification system (NAICS) Industry Subsectors as determined by the Department of Commerce. The targets may provide for participation by a prime contractor, joint venture partner, teaming arrangement member, or subcontractor; however, the targets for subcontractors must be listed separately.

<b>Targets for SDB Participation</b>	<b>Dollars</b>	<b>Percentage of Total Contract Value</b>
<i>(List SDBs by Company Name)</i>		
Prime:	\$	%
	\$	%
	\$	%
Subcontractors:	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%

(c) The Offeror shall provide historical data that identifies its actual vs. targeted goals for Small Disadvantaged Business (SDB) concerns and monetary targets for SDB participation.

(d) The proposal shall specifically identify by name, address, contact, and telephone number the SDB concerns the offeror intends to utilize in performance of the contract. SDB concerns considered in the evaluation will be listed in any resulting contract, and the successful contractor will be required to notify the Contracting Officer of any substitutions of firms that are not SDB concerns. If the offeror is not an SDB concern and has not proposed the use of SDB concerns, the offeror’s proposal shall explain its rationale.

(e) The offeror's proposal shall demonstrate the offeror's commitment to use SDB concerns in the performance of this contract. The offeror shall provide copies of any enforceable commitments it has entered into with SDB concerns for performance under any resulting contract.

(f) The offeror shall describe the complexity and variety of the work SDB concerns are to perform.

(g) Any targets will be incorporated into and become part of any resulting contract. Contractors with SDB participation targets shall report SDB participation in accordance with FAR 52.219-25, Small Disadvantaged Business Participation Program – Disadvantaged Status and Reporting.

**VOLUME 4 – DOCUMENTATION.**

Must include the following: Integrated Master Plan/Project Work Plan, Transition/Cutover Plan, Risk Assessment and Mitigation Report, Proposal Traceability Matrix, Performance Work Statement, Service Level Agreement, Fit-Gap Report, **Government** Quality Assurance Surveillance Plan (QASP), **Contractor** Quality Assurance Plan, Certifications and SubContractor Letters of Commitment (where the SubContractor is to receive 20% or more of the work), Hardware/Software List and Licenses, completed Due Diligence Checklist, Integrated Master Schedule, Staffing Plan with Resumes of Key and Non-Key Personnel and Letters of Commitment (from staff not currently employed by the Offeror), and the CLIN Breakdown Template.

(a). Integrated Master Plan (IMP) or Project Work Plan (PWP). The Offeror's Project Work Plan must clearly identify and describe the scheduled project tasks that will be scheduled in the Integrated Master Schedule to perform the Performance Work Statement (PWS) executable tasks. This plan describes the project tasks and correlates directly to the Offeror's work breakdown structure, levels 3, 4, or 5. A HUD System Development Methodology template can be found at: [www.hud.gov/offices/cio/sdm/index.cfm](http://www.hud.gov/offices/cio/sdm/index.cfm)

(b). Transition / Cutover Plan. The Offeror shall propose a transition strategy and approach to transition from the full capability development/test environment to the shared service center production environment for integration staging and testing.

(c). Risk Assessment and Mitigation Report. The Offeror shall provide a Risk Assessment and Migration Report. It must be organized similarly to the Mission Capability Factor in Volume 2. 2A, 2. 2B, and 2. 2C. The Offeror shall identify each program risk, rationale for each risk, impact of each risk and how the Offeror's proposed approach mitigates this risk.

(d). Proposal Traceability Matrix. The Offeror shall provide a traceability matrix to clearly show the relationship between the SOO, PWS task, IMP or PWP, and the IMS. A template has been provided in Attachment 7.

(e). Performance Work Statement (PWS). The Offeror shall provide a PWS in response to the SOO provided in this solicitation. The format of the PWS shall be compliant with the format contained in the Statement of Objectives (Attachment 1). The objectives section is to be replaced by Task Sections and a Deliverable section identifying deliverables for each task along with draft and final deliverable due dates and allowance for government reviews. The PWS shall include a Performance Plan compliant with the Government-provided Performance Plan in Attachment 8 with a line item for each deliverable. The PWS shall incorporate all objectives of the SOO; be submitted in contractor format; and represent an executable-contracting document that includes all tasks

and deliverables necessary to provide a quality implementation of ICFS as priced in the Price Proposal. The following paragraphs contain specific content that shall be incorporated into the PWS. It must include performance metrics necessary to provide a quality implementation and sustainment for the ICFS/HIFMIP project, milestones for achieving and submitting deliverables. HUD will verify that all requirements of the SOO are covered and that the appropriate Contract Deliverable Requirements Lists (CDRLs) are proposed and attached to the PWS.

(f). Service Level Agreement (SLA). The Offeror shall submit a draft SLA using the suggested formats found in Attachments 16A and 16B. The Offeror shall respond with the best practical performance offerings for the ICFS/HIFMIP requirements.

(g). Fit-Gap Report. The Offeror shall describe and document their proposed solution in the Government provided Fit-Gap Template (see Attachment 5) and, as applicable, identify how the requirements are met by providing the specific PeopleSoft modules, “Bolt-on” capabilities, custom extension, or other proposed technologies. The Offeror shall also identify the specific PeopleSoft module, as applicable, that satisfies individual requirements. The Offeror’s Fit Gap analysis shall include **all** requirements identified in the Functional and Technical worksheets (see Attachment 5). Detailed instructions for preparation of the Offeror’s completed Fit Gap report are included in Attachment 6 and the Fit Gap template is provided in Attachment 5 to the RFP .

(h). Government Quality Assurance Surveillance Plan. The Offeror shall provide a draft Government Quality Assurance Surveillance Plan (QASP) that, at a minimum, defines what the government must do to ensure that the contractor has performed in accordance with the Performance Work Statement (PWS) performance standards and metrics. The QASP is needed to ensure the government receives the quality of services called for under the contract, and pays only for the acceptable level of services received. Since the Government QASP is intended to measure performance against standards in the PWS, these interdependent documents must be coordinated. The approved QASP will be incorporated in Section C of the resulting contract upon award.

(i). Contractor Quality Assurance Plan. The Offeror shall provide a Contractor Quality Assurance Plan (QAP). The contractor QAP serves as the Offeror’s guide to facilitate the Offeror’s Quality Assurance (QA) activities within processes and procedures used to deliver products and services in support of a project. The QAP provides a systematic method to provide confidence that the Offeror’s products and services are developed and delivered according to established processes is of the highest quality. It defines the policy for QA activities, the organizational structure of the QA group, responsibilities of the QA group, responsibilities of affected groups, and identifies necessary reviews and audits. HUD will have unrestricted self-service access to this performance

information. Once the QAP has been approved by HUD, the contractor shall comply with the plan throughout the life cycle of the contract.

(j). Certifications and Commitment. The Offeror shall provide any certification that may be of value in the evaluation process (e.g. professional certifications, SEI, CMM/CMMI appraisal disclosure statement). The Offeror shall identify which contractor (Prime or Sub) holds the certifications. The Offeror shall provide letters of commitment from subcontractors receiving 20% or more of the work.

(k). Hardware/Software List and Licenses. The Offeror shall list all hardware, COTS modules, and software proposed for use in the resulting contract. The Offeror shall note which items are already licensed, the need to acquire licenses through the acquisition process, and a short description of its intended use. The Offeror shall also identify their intent to buy or lease the specific hardware.

(l). Due Diligence Checklist. The Offeror shall complete Attachment 26 in its entirety. The Offeror shall provide comments to supplement all yes and no responses. For each “no” response to the Due Diligence Checklist screening questions, the Offeror shall specify their commitment to completing the requirement prior to ICFS cutover. The Offeror shall also identify if their modern, deployed system is extensible to service HUD’s needs.

(m) Integrated Master Schedule. The Offeror shall provide an Integrated Master Schedule (IMS) that provides task start and end dates, duration of tasks, deliverable dates, resources assigned to tasks, dependencies among tasks and present it in a Microsoft Project Standard 2002 version deliverable that incorporates the Contract Work Breakdown Structure (CWBS). The Government Work Breakdown Structure (GWBS), (Attachment 10), is provided as an example only.

(n). Staffing Plan. The Offeror shall provide a staffing plan that ensures the availability, proper breadth, education, experience, expertise, mix, and projected time phasing of proposed qualified prime and subcontractor personnel. The plan must include the Offeror’s retention strategy and personnel replacement/rollover strategy. The staffing plan should also demonstrate a commitment by the Offeror to ensure maximum continuity of key personnel (see section I.17) .The Offeror shall identify proposed subcontractors and the effort they will be contracted to perform, targeted areas/roles of subcontractor support, percentage of work to be performed by proposed subcontractor and resource levels targeted for subcontractor support. The Offeror must provide resumes (key and non-key personnel) and letters of commitment for all proposed key and designated non-key personnel who are not currently employed by the proposed team. The offeror must provide a staffing plan that identifies their labor categories and their assignment to each of the tasks defined in the Performance Work Statement (PWS).

(o). CLIN Breakdown Template. The Offeror shall use the template found in Attachment 12 (CLIN Breakdown Template) to insert all technical components the Offeror deems appropriate to fulfill HUD's SOO, their proposed performance work statement and CLIN objectives. The information for CLIN and Description should match the information found in the Section B Contract Schedule of this solicitation. The offeror shall **not** include pricing information in this attachment.

## VOLUME 5 - PRICE PROPOSAL

- (1). The Government intends to issue a Fixed Price (FP) type contract with firm fixed unit prices.
- (2). The offeror shall complete Section B, price schedule to the solicitation, by inserting its proposed fixed price. The Additional Optional CLINs (see B.6.0) may be required by the Government at any time during the life of the resulting contract/Interagency Agreement. HUD expects to provide additional information to clarify its precise requirements before ordering this work. However, the offeror should be prepared to deliver these services when the Contracting Officer issues a modification to the resulting contract/Interagency Agreement.
- (3). The Offeror must describe any assumptions made in preparing the price proposal. The offeror shall explain in detail how the prices for all products and services were derived. All assumptions, deviations, exceptions and/or conditions made in the development of the offeror's proposal must be clearly delineated and may be provided in the offeror's format. All assumptions will be evaluated for reasonableness. In addition, the offeror must include any additional information required to support its price proposal.
- (4). The Offeror must identify any subcontracts or consultant service anticipated. On a separate page and by contract period, the Offeror shall provide the name of proposed subcontractor or consultant, the commensurate fixed price amount(s) the percentage of work to be performed, and the designated socioeconomic status. In addition, provide a sample subcontract and/or consultant agreement.
- (5). The Offeror shall propose a payment schedule for the base and each option period. The proposed payment schedule shall be based on some measurable criterion of performance that must be an integral and necessary part of the resulting contract/interagency agreement performance. The Government will review the fairness and reasonableness of the proposed payment schedule. At contract award, the Government will incorporate the successful offeror's payment schedule in the resulting contract/interagency agreement payment schedule. See clause G.3.
- (6). Final payments for each CLIN under System Integration (identified as CLIN 0003, 1004C, 2009C, and X002C) shall be at least 15% of the total CLIN. **Final payments will be made to the successful offeror only when all deliverable requirements specified in the resulting contract/interagency agreement, and the Performance Work Statement including the acceptance and delivery of all required documentation are finally accepted by the Government.**
- (7). Sections B of the solicitation identifies Hosting for FHA as CLIN 0004 and 1004 with the corresponding quantity identified as six (6) months. HUD expects activities related to FHA Hosting will occur on or about April 1, 2008 through the duration of the base period, 09/30/08. The successful contractor must be prepared to commence

activities necessary and required to successfully perform FHA Hosting functions on or about April 1, 2008.

(8). Sections B of the solicitation identifies Business Process Improvement/Enhancements as CLIN 0006, 1006, 2006, 3006, 4006, 5006, 6006, 7006, 8006, and 9006. Offerors should price these CLINs consistent with their proposed Performance Work Statement, the Government's Statement of Objectives and this RFP. However, to assist offerors, in developing their pricing proposal, prospective offerors should refer to Section B.5.1(b) for HUD's detailed definitions for this requirement. In addition, the offeror must propose the unit price for Small, Medium, Large and Substantial Report/System Change for the base and each option period.

(9). Pursuant to Section H.11 of the RFP, the Government anticipates during the life of HIFMIP, the successful offeror may be required to perform various software upgrades. The offeror must identify any initial or subsequently propose software upgrades/enhancements it intends to perform during the life of the resulting contract/interagency. In addition, any applicable maintenance, licenses, etc. must be included in the offeror's pricing proposal. Such pricing information must be appropriate and consistent with the offeror's proposed performance work statement, the RFP and the Government's Statement of Objectives. During the performance of the resulting contract, or interagency agreement, the Government shall not be obligated to modify the contract to increase the contract firm-fixed price as a result of any later anticipated software upgrades and/or maintenance proposed by the successful offeror.

(10). Software Acquisition. HUD considers software acquisition to include the procurement of additional or new licenses necessary to successfully carry out the technical requirements of HIFMIP. The offeror's pricing proposal must identify any software it intends to procure during contract performance. Any software to be furnished or delivered under the resulting contract/interagency agreement, must be identified in the offeror's price proposal. In addition, the offeror shall, to the maximum extent practicable, offer commercial software or non-developmental software under this solicitation. **HUD will take ownership of any software delivered under the resulting contract/interagency agreement.**

(11). Software Customization. If the offeror proposes to customize any software during the life of the resulting contract/interagency agreement, the offeror is expected to explain any assumptions made and propose a price for such customization in its initial proposal. **During contract performance, the Government shall not be obligated to increase the contract firm- fixed price if the contractor neglects to propose such costs in its initial proposal.**

(12). During the life of the resulting contract/interagency agreement, HUD expects the contractor to establish the connectivity with the HUD National Call Center and the HUD Wide-Area Network. HUD will grant all necessary access to these systems. The Offeror is required to provide and price all necessary and required, equipment/supplies, communication equipment, services, maintenance, etc. to supply the connectivity.

During contract performance, HUD shall not be obligated to modify the resulting contract or interagency agreement to increase the price specified in Section B for such purchases.

(13). In accordance with Section J, Attachment 11 of the RFP, offerors shall price Disaster Recovery on the following basis: (a). 72-hour recovery from notice to vendor and (b). The HIFMIP FRD calls for 48-hour recovery from notice to vendor. In addition to this pricing requirement, offerors shall recommend alternatives to HUD specified disaster recovery time(s) above and price such recommendation(s) accordingly.

(14). The Offeror shall provide pricing detail for any middleware platform, middleware software, middleware support and data interchange expenses.

(15). Offerors must provide audited financial statements (income statement balance sheet, statement of cash flows on an annual basis for 2002 through the current year). All financial data must be audited by an independent Certified Public Accountant.

(16). Unrealistically low or high-proposed prices, may be grounds for eliminating a proposal from competition either on the basis that the offeror does not understand the requirement or has offered an unrealistic proposal. The offeror is cautioned to submit pricing information that is fully responsive to HUD's requirement. The offeror is responsible for ensuring pricing information is complete, contain all the proposed costs necessary accomplish the HIFMIP requirements, and accurately reflect the Offeror's proposed price.

(17). This section shall consist of any exceptions the Offeror has to the terms or conditions of the solicitation. Offerors are reminded that exceptions to the solicitation are discouraged because they may result in the proposal being determined to be a nonconforming counteroffer. Any exceptions to the terms or conditions of the solicitation shall only be addressed in the event discussions are held. **Offerors should be aware that the appropriate time to request clarifications or exceptions to the terms and conditions of the contract as set forth in the solicitation is during the proposal preparation stage before proposals are submitted.**

(18). **HUD expects the offeror's proposed fixed price will include all necessary personnel, equipment, facilities, services, travel, etc. to fully and completely implement and carry out a successful HIFMIP solution. The offeror is reminded to propose *all* costs necessary to successfully deliver an acceptable HIFMIP solution from beginning to end. During contract performance, the Government shall not be obligated to increase the resulting contract/interagency agreement price for additional costs the contractor did not propose and/or failed to include in the final negotiated fixed price.**

## **L18 AMENDMENTS TO PROPOSAL**

Changes to the Proposal by the offeror shall be accomplished by amended page(s). Changes from the original page shall be indicated by a vertical line, adjacent to the change, on the outside page margin. The offeror shall include the date of the amendment on the lower right hand edge of the page.

### **L.19 AS 2309 SUBCONTRACTING GOALS**

(a) HUD is strongly committed to ensuring that small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, HUBZone small businesses, small disadvantaged businesses and women-owned small businesses have maximum opportunities to participate in subcontracting with HUD primes. To reinforce its commitment, HUD has established a subcontracting goal of 40% of the proposed prime contracting dollars be subcontracted to Small Business resources. Contractors that are unable to meet the established goal due to practical considerations must provide the rationale for the proposed level of subcontracting. In evaluating subcontracting plans, HUD will consider the total value of the subcontracting effort as it relates to the total value of the prospective contract.

#### **(b) Subcontracting Goals:**

(1). In accordance with FAR Part 19.702 and HUDAR 2452.219-70, the contractor shall provide the maximum practicable subcontracting opportunities to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. HUD's subcontracting goals for the current fiscal year are provided below and are expressed as percentages of the total value of the contract.

#### (2). HUD Subcontracting Goals:

40% of the total dollars awarded for the total value of the contract - Small Business

Within that total, the following subordinate goals (as posted on HUD's Internet site shall apply (See: (<http://www.hud.gov/offices/osdbu/policy/goals.cfm>)):

- 10% - Small Disadvantaged Business
- 10% - Women-Owned Small Business
- 3% - Service-Disabled Veteran-Owned Small Business
- 3% - HUBZone Small Business

(3). For acquisitions where subcontracting opportunities exist, each offeror's subcontracting plan will be evaluated in accordance with the evaluation factors in Section M.

## **SECTION M - EVALUATION FACTORS FOR AWARD**

### **M.1 FAR 52.217-5 EVALUATION OF OPTIONS (JUL 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

### **M.2 MANDATORY PASS-FAIL FACTOR**

**The integration of the PeopleSoft COTS financial management modules will support HUD's planned enterprise architecture and provide for "integrated financial management" for the Department. For the purposes of this solicitation, the following mandatory pass-fail factor has been established. The Offeror must demonstrate in the proposal that they will specifically transition our legacy financial functions and data to the PeopleSoft COTS modules. Failure to meet this factor will automatically result in no further consideration of the Offeror's proposal.**

### **M.3 AS 2301 RELATIVE IMPORTANCE OF TECHNICAL EVALUATION FACTORS TO COST OR PRICE**

For the purposes of evaluation of offers and the selection of the contractor, or contractors, under this solicitation, the combined relative merit of the offeror's technical proposal as evaluated in accordance with the technical evaluation factors listed herein shall be considered Technical merit and is significantly more important than the cost or price. While the proposed cost or price will not be assigned a specific weight, it shall be considered a significant criterion in the overall evaluation of proposals.

### **M.5 EVALUATION CRITERIA**

#### **a. Evaluation Factors and their Order of Relative Importance**

Award will be made to the Offeror who is deemed responsible in accordance with the FAR, as supplemented, whose proposal conforms to the solicitation requirements and is judged to represent the best value to the Government. The Government seeks to select an offeror who best meets our requirements affordably and based upon an integrated assessment of the evaluation factors described below. Factor 1 -Technical Capability and Approach, Factor 2 -Management Capability and Approach, and Factor 3 -Functional Capability and Approach are of equal importance. Factor 4 - Past Performance is of slightly less importance than Factors 1, 2, or 3. Factor 5 – Small Business Participation is of significantly less importance than Factors 1, 2, 3, and 4. Factors 1 through 5 shall be considered Technical merit that is significantly more important than the cost or price.

The following evaluation factors will be applied to the Offeror's proposals.

Factor 1: Mission Capability: Technical Capability and Approach

Factor 2: Mission Capability: Management Capability and Approach

Factor 3: Mission Capability: Functional Capability and Approach

Factor 4: Past Performance

Factor 5: Small Business Participation

- b. Mission Capability:** The Government will assess each Offeror's Mission Capability Volume as part of its evaluation. Mission Capability consists of 3 factors: Technical Capability, Management Capability, and Functional Capability. For each mission capability factor, the evaluation will assess factor specific evaluation criteria. Additionally, each Mission Capability factor evaluation shall assess the Offeror's understanding of requirements and soundness of approach as described below.

**1. Understanding of the Requirements** - Offerors shall demonstrate a thorough understanding of the requirements identified in the Statement of Objectives, Systems Requirements Document, Process Flows and Narratives, and other referenced documents. Offerors shall propose an approach to achieve timely and adequate performance through use of appropriate tools, processes, and techniques that facilitate accomplishment of the desired outcomes. Offerors shall identify proposed tools and their degree of compatibility/interoperability with HUD standard tools. Offerors shall present a comprehensive statement of the scope, and purpose of the project to demonstrate an understanding of the requirements from a management, functional and technical standpoint.

**2. Soundness of Approach** – The soundness of an Offeror's proposed approach to accomplish the HIFMIP ICFMS SOO will be used to evaluate the extent to which the Offeror demonstrated an integrated, innovative, flexible, systematic, customer-oriented, and performance-based approach that incorporates as much automation as practical for adapting to a dynamic Government business and technical environment. Offeror's approach shall demonstrate a strategic enterprise vision that: balances program cost, schedule, performance, and risk; proposes disciplined systems engineering processes which will ensure that required capabilities and outcomes are provided in a highly qualified manner, and provides an effective methodology to implement the ICFMS solution; and applies best practices and tools to improve current Government financial capabilities.

**c. Factor 1: Mission Capability: Technical Capability and Approach**

This factor will be used to evaluate an Offeror's overall understanding of the ICFMS technical and architecture requirements and the soundness of the Offeror's approach to meeting the technical requirements outlined in the SOO/FRD (and

referenced requirements documents) to accomplish the full spectrum of COTS System Integration (SI) and hosting support. To meet the technical factor's requirements the Offeror's solution shall also demonstrate the following:

1. The interoperability and scalability of an Offeror's integrated application and technical architecture (e.g., use of product components, use of bolt-ons and extensions, data architecture, interface/integration architecture, process automation, etc.). This will include an Offeror's use of open system standards to support interoperability with Enterprise Resource Planning (ERP) and legacy systems, the ability of the solution to allow for new technology insertion, the ability to meet technology refresh objectives, the ability to achieve initial and continued compliance with the HUD's Architecture, and Federal Enterprise Architecture (FEA), and the ability of the solution to scale to meet new and increased user requirements.
2. Approach to establish the HUD ICFMS development and sustainment environments and to support ICFMS integration, staging, and testing.
3. Approach to leverage the following services: Security services and infrastructure components that exist within the Integration Framework.
4. Approach to leverage the HIFMIP Roadmap (Attachment 24) that demonstrates a phased implementation approach to transition to the new ICFMS. This includes the exclusion of any phased functionality for the core financial management system and the requirement to conduct concurrent activities to migrate the FHASL to the SSC and integrate the host ICFS.
5. Strategy for data standardization to include the method for developing an "end state" data model, developing a "cross-walk" between the "end state" and the current state, minimizing data latency, and synchronizing data between system of record and dependent systems.
6. Approach to support the data interface/exchange requirements and the integration management requirements as identified in the HIFMIP FRD, DRD, Roadmap, and Legacy System Disposition Plan (including managing an enterprise interface infrastructure service, supporting application to application interface configuration, monitoring, tuning, interface "outage", and data recovery).
7. Approach associated with an Offeror's completed Fit-Gap Report (FGR) that describes how the technical requirements will be fully satisfied by the ICFMS solution and will satisfy the technical requirements identified in the FGR.
8. Approach to obtain, install, and configure all hardware, software, and networking equipment at the Shared Service Center, and at HUD and the System Integrator's facility as necessary. Approach for setting up the ICFMS development and sustainment environments. Approach for identifying the required desktop hardware and software configurations to support the proposed solution. Approach for establishing the connectivity with the HUD National Call Center and the HUD Wide-Area Network.

9. Approach for providing technology refreshes to support ICFMS.
10. An Offeror's detailed system engineering methodology, practices, processes, and tools to be employed to support each phase of the solution's lifecycle (e.g., project planning, blueprinting, Reports, Interfaces, Conversions and Extensions (RICE), configuration, migration, and deployment) and to reduce software and middleware complexity to improve design understandability, simplify versioning and configuration updating. Additionally, the degree to which these processes are appropriately applied to each lifecycle phase, the degree to which these processes are used to measure the quality and overall progress of the configuration effort; the degree they relate to completing reports, interfaces, conversions, and extensions; and the degree to which these processes are used to re-direct activities based on issues uncovered through the measurement process and how these practices and processes minimize deficiencies and corrections during testing.
11. Approach to: manage and execute process integration, both vertical (in-house) and horizontal (across the prime and subcontractors) to achieve seamless and effective performance of the required effort and incorporate and enforce Capability Maturity Model (CMM)/Capability Maturity Model Integration (CMMI) or equivalent processes, practices, procedures, and supporting tools for an Offeror's organizational component supporting ICFMS into the HUD financial program teams and across an Offeror's integrated team.
12. Integration of the proposed test strategy, test plans, and coordination process necessary to accomplish functional user acceptance and technical testing for all phases of development, implementation, operations, and sustainment. An Offeror's method for ensuring testing in all phases that fully tests the functional capability of the solution, updates all test documentation appropriately, and provides a test database with production-like data is available for use during Government testing. Approach for conducting robust system testing vs. parallel testing and acquiring user acceptance of the testing.
13. An Offeror's approach for RICE design, development, testing (including providing test plans, test scripts, and expected results for review and acceptance), interfaces, conversion routines, and documentation (to include the impact on the potential for extensions and custom automated workflow and the updating of existing RICE documentation), the logistics of incorporating changes into production as well as new and ongoing implementations.
14. An Offeror's systems engineering metrics for measuring the effectiveness and efficiency of the Offeror's systems engineering, development, test, implementation, and sustainment activities.
15. An Offeror's approach for system upgrades; synchronization of version upgrades across the products, bolt-ons and extensions that make up the technical architecture; addressing impacts due to technology upgrades; and sustainment planning to include multiple version and increment

considerations; impacts to HUD architecture; the ability to integrate Offeror's help desk functions with existing HUD help desk activities including problem report tool integration, and coordinating sustainment activities across multiple organizations, versions, and System Integrators.

16. An Offeror's proposed help desk approach. This includes a review of proposed metrics, the levels of support, hours of operations, and integration with development and sustainment activities.
17. An Offeror's proposed development approach for providing configuration; interface integration and infrastructure services; incremental delivery; implementation; data conversion and migration; training; transition planning (documented in the Transition/Cut-Over Plan); and degree of involvement of user, Subject Matter Experts, and other functional experts. The thoroughness of the Offeror's understanding of and approach for the Continuity of Operations planning, processes, architecture, support for geographically separated locations, the production environment, failure, recovery, backup, restore, and alert processes. This will include a review of the flexibility, completeness, and effectiveness of solution integration (which focuses on the use of open standards, dynamic management, automated monitoring, and fault tolerance while maximizing interoperability and minimizing management, reconfiguration, and re-work).
18. An Offeror's ICFMS specific approach and methodology for performance standards development and measurement within a Service Level Agreement (SLA). The Offeror's submitted draft Service Level Agreement (SLA) (with a format derived from the suggested formats found in the solicitation (Attachments 16A and 16B)). The Offeror's draft SLA must expand on the performance standards and provide the best practical performance offerings for the ICFMS requirements. The viability of the Offeror's approach to report performance metrics according to the SLA and their approach to rectify any reported performance deficiencies.
19. An Offeror's approach for meeting the technical requirements identified in the Fit-Gap Report and filling any gaps identified.
20. The completeness and applicability of an Offeror's responses demonstrated in their completed OMB Due Diligence Checklist to meet the OMB Financial Management Line of Business requirements for Shared Service Providers
21. An Offeror's described approach to managing the PeopleSoft licenses and any other pertinent licenses or leases that are used in the ICFMS/FHASL implementation and sustainment processes over the life-cycle of the system and documented in the Hardware/Software List and Licenses report submitted in the proposal.
22. An Offeror's proposed approach to provide technical compliance throughout the life-cycle of ICFMS.

**d. Factor 2: Mission Capability: Management Capability and Approach**

This factor will be used to evaluate each Offeror's overall understanding of management requirements and soundness of approach to accomplish the full spectrum of COTS Systems Integration and Hosting management support. This factor will also be used to evaluate each Offeror's demonstration of a comprehensive, integrated approach that applies practices, tools, and qualified staff to manage life-cycle efforts. To meet the requirements, an Offeror's solution shall also demonstrate the following:

1. A consistent and realistic Performance Work Statement (PWS) (aka: Statement of Work (SOW)) that demonstrates a complete understanding of the requirements and the work to be performed to meet the Statement of Objectives for ICFMS and includes reasonable and applicable performance metrics and contract deliverables. The identified tasks clearly support and are mapped to the Statement of Objectives, and each task maps to one or more specific deliverables identified in the PWS. In addition PWS tasks and deliverables are mapped to specific CLINs and Descriptions (Attachment 12) and demonstrated in the Attachment 7 Mission Capability Proposal Traceability Matrix.
2. A comprehensive program management approach that encompasses: the proposed management approach and processes described in the Offeror's Integrated Master Plan (IMP); ICFMS-specific activities organized by phase with dependencies and deliverables identified in the Integrated Master Schedule (IMS); a thorough decomposition of required activities identified in the Contract Work Breakdown Structure (CWBS) of the IMS; and ICFMS specific risk management processes to include risk identification, risk quantification/qualification, risk mitigation, risk monitoring and reporting, and executing risk mitigation plans (Risk Assessment and Mitigation Report); and an integrated approach for applying and maintaining quality assurance, control, and monitoring tools and practices (Contractor Quality Assurance Plan).
3. Systems Integration configuration management and change control process to include establishment, execution, and sustainment of an enterprise-focused shared service center function that facilitates preservation of a common enterprise COTS configuration, architecture, standards, engineering processes, tools, training documentation, interface information, system documentation libraries, ICFMS solution roadmap, and best practices across multiple increments and System Integrators throughout the life-cycle of the project.
4. Approach for instituting and maintaining the Earned Value Management requirements for the HIFMIP project throughout the life-cycle of the project.
5. Approach to provide the skills, depth of experience, depth of the Offeror's staffing bench and reach-back capability, and for accessibility, availability, and continuity of key personnel required to accomplish the full spectrum of COTS Systems Integration and Shared Service Center support throughout the project's

life-cycle. Demonstrated ability to provide the mandatory key personnel as evidenced in the provided resumes reflecting relevant experience, training and as applicable financial and government accounting professional certifications and project management certifications for program/project managers and team leads to perform their role. Demonstrated ability to assign experienced and trained staff to a task and to provide adequate staffing support for each task as demonstrated by the proposed Staffing Plan, resumes, and levels of commitment for each proposed key and non-key personnel.

6. Appropriate commitment level of key personnel and the approach to assign staff to each task identified in the Integration Master Plan.
7. Approach for accomplishing life-cycle documentation to include a clear and well-communicated description of the list of proposed deliverables that provides the Government with multiple opportunities to review and sign-off on intermediate and final products throughout the project life-cycle in order to mitigate the risk of miscommunications.
8. Approach for managing long-term relationships with HUD technical teams, users, other contractors, and stakeholders.
9. Management compliance approach for complying with OMB, GAO, HUD standards, guidelines concerning project management for HIFMIP integration and hosting contract.

**e. Factor 3: Mission Capability: Functional Capability and Approach**

This factor will be used to evaluate each Offeror's overall understanding of the requirements, depth of knowledge, and soundness of functional approach to accomplish full spectrum COTS System Integration support. The factor will also be used to evaluate each Offeror's demonstration of an integrated approach for applying practices and tools to implement the required functional capability while maximizing the level of system-wide automation in the solution. To meet the requirements, an Offeror's solution shall also demonstrate the following:

1. Approach for a COTS solution (including a clear description of the expected Government involvement throughout the life-cycle) that is tailored to the HUD environment and reflects a thorough understanding of the ICFMS "to be" functional requirements and process flows. Offeror (s) shall be evaluated on the thoroughness and soundness of its "end-to-end" functional approach and methodology proposed for the successful accomplishment of business process re-engineering (BPR) and implementation of the ICFMS requirements.
2. Approach (including methodologies, tools, techniques, and products) to accomplish enterprise integration of Change Management tasks. Offerors shall be evaluated on the thoroughness and soundness of their proposed approach to facilitate the organizational, cultural, and change acceptance necessary for adopting/adapting re-engineered/modernized business processes and solutions in the Department of Housing and Urban Development environment.

3. Approach to satisfy the training needs and requirements for the HUD-wide community to include the identification of proven, sound methodologies, tools, techniques, and products that will be tailored and applied to training the ICFMS user community throughout the training life-cycle. Additionally, an Offeror's training approach must address post go-live training and the ongoing measurement of the personnel's competency in order to apply targeted training to areas of deficiency.
4. Approach for ensuring ICFMS functional compliance that is consistent with the FFMIA, PMA, OBM FMLoB, CFO Act and other standards and regulations in the RFP. Approach supports the creation of auditable financial statements and supports the achievement of an unqualified audit opinion with no material weaknesses or reportable condition issues related to the financial management systems operating environment.
5. HUD-specific approach for accomplishing and implementing the Functional Capability Areas (FCAs) of: funds management, purchasing (commitments and obligations), accounts payable (expenditures) and accounts receivable, cost management, general ledger management, and financial reporting as identified in the Section L.
6. Approach associated with the Offeror's Fit-Gap Report (FGR) that describes how the "to-be" functional requirements will be fully satisfied by the ICFMS solution while maximizing the level of system-wide automation.
7. Approach for validating that all ICFMS requirements are tracked throughout the project life-cycle and ultimately met by the completed solution including a logical and streamlined approach for resolving any requirement interpretation difference with the Government.
8. Approach for satisfying ICFMS requirements by providing ICFMS data conversion, HUD's written acceptance of robust system testing, rollout, and post-implementation support that is consistent with a smooth transition to ICFMS.
9. Approach for providing ICFMS automated notification functionality; and for making ICFMS web-enabled with the appropriate level of security. Offerors must demonstrate a thorough approach for handling both online real time and batch transactions; and for providing OCFO-designated personnel with the capability to control files and ensure that all incoming/outgoing files are received/produced in accordance with the interface schedule. Offerors must demonstrate a thorough approach for controlling interface files and monitoring the posting/delivery to prevent data degradation. Offerors must demonstrate that the following interfaces will remain online real-time: HUD Procurement System (HPS), Small Purchasing System (SPS), eTravel, and FHASL interfaces: Single Family Asset Management (outsourced service provider); Multifamily Property Accounting and Loan Servicing System (CSMS) (that is currently owned and operated for HUD by DynAccSys). Offerors must demonstrate a thorough approach for providing a

- user friendly process for identifying interfaced transactions or files that are rejected by ICFMS and its approach for addressing these rejections;
10. Approach for ensuring that ICFMS accounts for multi-year monies minimize manual adjustments to transfer money from one year to the next and approach for developing and standardizing a chart of accounts and accounting structure to support the planned and approved consolidation and integration of HUD OCFO, FHA, Ginnie Mae, and OFHEO financial systems.
  11. Approach for disallowing certain transactions while allowing them under certain conditions based on roles and rules-based transaction controls.
  12. Approach for maintaining appropriate levels of security in accordance with federal policies such as SAS-70. Approach for providing an automated recertification process enabling HUD to manage security compliance, controls, and oversight requirements.
  13. Approach for increasing HUD productivity by: (1) making ICFMS a provider of timely financial information and (2) processing transactions and posting them to the correct accounting period across time zones.

**f. Factor 4: Past Performance**

The Government will evaluate each Offeror's, including key subcontractors (receiving 20% or more of the work), relevant on-going contracts or, contracts completed not more than three (3) years ago that demonstrates performance relevant to the HIFMIP solicitation performance requirements. The relevancy of past performance information will be determined by the highly similar scope, magnitude and complexity of effort compared to this solicitation. Only relevant past performance shall be considered. The Government will consider Offeror's demonstrated extent of successful past performance in: (1) implementing an enterprise wide (where the enterprise may be public or private) COTS financial product suite; and (2) providing a shared service center for an enterprise-wide financial COTS product suite and deploying the system. The past performance assessment will also consider each Offeror's past performance in controlling costs; adhering to schedules; and commitment to customer satisfaction.

**g. FACTOR 5 – Small Business and Small Disadvantaged Business Participation**

[Note - Factor 5 is not applicable to public Shared Service Providers.]

**1. Subfactor 5.1 – Small Business Subcontracting Plan**

[Note – Subfactor 5.1 is not applicable to small business concerns.]

HUD is strongly committed to ensuring that small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business and women-owned small business concerns have maximum opportunities to participate in subcontracting with HUD primes. To reinforce its

commitment, HUD has established a subcontracting goal of up to 40% of the total value of each contract and subsequent modifications. Contractors that are unable to meet the established goal due to practical considerations must provide the rationale for the proposed level of subcontracting.

In addition to the technical and management evaluation factors enumerated above, proposals shall be evaluated in terms of subcontracting opportunities provided to small business concerns. The evaluation shall consider the following:

1. The total value of the proposed small business subcontracting effort as it relates to the total value of the prospective contract.
2. Contractor's specific goals expressed as dollars and percentages of total contract value will be evaluated for:
  - a) Small Business
  - b) Service-Disabled Veteran-Owned Small Business
  - c) HUBZone Small Business
  - d) Small Disadvantaged Business
  - e) Women-Owned Small Business
3. Specific commitments to small business concerns evidenced by the proposal.
4. Substantive nature of the subcontracted work as required by the solicitation.

**2. Subfactor 5.2 - Small Disadvantaged Business Participation (NOT APPLICABLE TO PUBLIC (OR FEDERAL GOVERNMENT) ENTITIES).**

In accordance with FAR Subpart 19.12, the extent of participation of SDB concerns in performance of the contract shall be evaluated as follows.

1. Proposed targets, expressed as dollars and percentages of total contract value, for SDB participation in any of the North American Industry Classification system (NAICS) Industry Subsectors as determined by the Department of Commerce. The targets may provide for participation by a prime contractor, joint venture partner, teaming arrangement member, or subcontractor; however, the targets for subcontractors must be listed separately.
2. Past performance of offerors in complying with subcontracting plan goals for SDB concerns and monetary targets for SDB participation.
3. The extent to which SDB concerns are specifically identified.
4. The extent of commitment to use SDB concerns. Enforceable commitments will be weighted more heavily than non-enforceable ones.

The complexity and variety of the work SDB concerns are to perform.

## **M.6 PRICE**

(1). The Government will perform a price analysis of the offeror's proposed price in support of its price reasonableness analysis. Potential offerors are **not** required to provide pricing information on CLINs identified with a "TBD" designation. Offerors must provide pricing information on all other CLINs.

(2). The Government will evaluate and compare offerors final negotiated price against the following CLINs:

<b>Period</b>	<b>Contract Line Item (CLIN)</b>
Base	0001, 0002, 0003, 0004A&B, & 0005
Option Period I	1001, 1002A&B, 1004A,B&C; & 1005
Option Period 2	2001, 2005, & 2008
Option Period 2 (Optional CLINs)	2009A, B, & C
Option Period 3	3001 & 3008
Option Period 3 (Optional CLINs)	3005
Option Period 4	4001 & 4008
Option Period 4 (Optional CLINs)	4005
Option Period 5	5001 & 5008
Option Period 5 (Optional CLINs)	5005
Option Period 6	6001 & 6008
Option Period 6 (Optional CLINs)	6005
Option Period 7	7001 & 7008
Option Period 7 (Optional CLINs)	7005
Option Period 8	8001 & 8008
Option Period 8 (Optional CLINs)	8005
Option Period 9	9001 & 9008
Option Period 9 (Optional CLINs)	9005
Additional Optional CLINs	X001, X002A,B&C; X005, X006 and X007

## **Statement of Objectives (SOO)**

for

### **US Department of Housing and Urban Development (HUD) System Integration and Hosting at a Shared Service Center (SSC)**

#### **1.0 PROGRAM GOALS:**

The HUD Integrated Financial Management Improvement Project (HIFMIP) was established by the Department of Housing and Urban Development (HUD), Office Chief Financial Officer (OCFO) to transform its core financial management processes and systems to improve financial accounting support for the Department and improve financial information accuracy and availability to HUD decision makers.

##### **1.1 The primary program goals for HIFMIP and the Integrated Core Financial System (ICFS) are:**

- 1.1.1 To provide direct access to standardized, accurate, timely information.
- 1.1.2 To minimize expensive customization.
- 1.1.3 To provide productivity improvements and an improved staff focus on providing better analytical information.
- 1.1.4 To achieve cost efficient transaction processing.
- 1.1.5 To link agency performance to costs; increased capability to accurately measure and report on program costs; and maximize return on investment.
- 1.1.6 To provide efficient reporting and fiscal year end closings.
- 1.1.7 To ensure adequate fund control.
- 1.1.8 To reduce the number of systems.
- 1.1.9 To provide user friendly, intuitive customer interface.
- 1.1.10 To improve data quality.
- 1.1.11 To provide efficient programmatic data for budget formulation.
- 1.1.12 To maximize to the greatest extent, stable IT tools, processes and applications.
- 1.1.13 To maximize web-enabled systems and processes to collect and disseminate information.
- 1.1.14 To provide comprehensive and timely information to stakeholders on demand.
- 1.1.15 Enable improved Business Operations.
- 1.1.16 Systematically enable efficiency and productivity improvements to HUD financial business operations.
- 1.1.17 Comply with federal financial management systems and systems security requirements.

#### **2.0 BACKGROUND:**

- 2.1 HUD's core accounting system and general ledger is the HUD Centralized Accounting and Program System (HUDCAPS). Introduced in 1994, HUDCAPS initially served as HUD's subsidiary ledger for Salaries and Expense Accounts, the Working Capital Fund, and as a project ledger for Public and Indian Housing

Section 8 programs. In FY 1999, HUDCAPS was enhanced to become the Department's core general ledger. Today, the system supports financial requirements for budget execution, funds control, commitments/reservations, obligations, accounts payable, accounts receivable, costs and financial reporting. It is a customized commercial off the shelf (COTS) version of American Management Systems' Federal Financial System (FFS), maintained by the Office of the Chief Financial Officer (OCFO).

**2.2** Oversight agencies such as the HUD Office of the Inspector General (OIG) and the Government Accountability Office (GAO) have identified financial management system deficiencies with respect to HUDCAPS and its subsidiary ledgers. A recommended solution is to improve the core financial system to manage the flow of financial information across all of HUD's information systems. The system must also be compliant with the Joint Financial Management Improvement Program (JFMIP) requirements, Office of Management and Budget (OMB) guidance, Department of Treasury regulations, Federal Managers Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act (FFMIA), the Federal Information Security Management Act (FISMA), and the current HUD Enterprise Architecture.

**2.3** HUD's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination. HUD's organizational components fall into three main groups with headquarters in Washington DC and regional and local HUD offices throughout the United States:

2.3.1 Major program areas;

2.3.2 Program monitoring offices and processing centers; and

2.3.3 Support staff and organizations.

**2.4** Within HUD's major program areas are three units that are independently audited in addition to the audit of the department-wide HUD financial statements. The three independent audits of HUD's organizational components are combined for the Departmental level statements and reports. The four auditable units are:

**2.5 Federal Housing Administration (FHA)**

FHA programs provide insurance on mortgages relating to one to four family residences, multifamily rental housing, condominiums, nursing homes, assisted living facilities, hospitals, manufactured housing, property improvement, and "special risk" units.

**2.6 Government National Mortgage Association (Ginnie Mae)**

Through its Mortgage-Backed Securities program, Ginnie Mae facilitates the financing of residential mortgage loans by guaranteeing the timely payment of

principal and interest to investors of privately issued securities backed by pools of mortgages insured or guaranteed by FHA, the Department of Veterans Affairs, and the Rural Housing Service. The Ginnie Mae guarantee gives lenders access to the capital market to originate new loans.

## **2.7 The Office of Federal Housing Enterprise Oversight (OFHEO)**

OFHEO is an independent office within HUD that provides oversight with respect to the financial safety and soundness of the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae).

## **2.8 Other major program areas audited in the Department-wide Audit**

### **2.8.1 The Office of Housing**

The Office of Housing administers various rental subsidies, homeownership subsidies, and grant programs designed to provide housing to low, very low, and moderate-income persons.

*2.8.1.1 Section 8 Project-Based Rental Assistance:* This program encourages owners to develop or rehabilitate rental housing for low and very-low income families with rental assistance tied to specific units under an assistance contract with the project owner.

*2.8.1.2 Section 202/811 Capital Grants:* Capital grants are provided for the construction and long-term support of housing for the elderly (Section 202) and persons with disabilities (Section 811). Advances are interest-free and do not have to be repaid provided the housing remains available for low-income persons for at least 40 years. Prior to the Section 202 Capital Grant program, Section 202 loans were made to finance housing for low-income elderly persons.

*2.8.1.3 Other Housing Programs:* Housing also maintains manufactured housing construction and safety standards, administers the Real Estate Settlement Procedures Act (RESPA), and regulates interstate land sales. There are some terminated loan programs, such as the Section 202 Loan program, which still have outstanding loans. Additionally, programs such as the Homeownership Assistance Program (Section 235) and the Rental Housing Assistance Program (Section 236) are inactive but insurance for the programs is still in force.

### **2.8.2 The Office of Public and Indian Housing (PIH)**

PIH programs serve low and very low-income families and individuals who live in public housing, Section 8-assisted housing, and Native American housing. Major activities are described below:

#### 2.8.2.1 Housing Certificate Fund

*Section 8 Tenant-based Rental Assistance:* Low- and very low-income families receive rent subsidies to enable them to obtain decent, safe and sanitary housing in privately owned housing units. This tenant-based program is administered through State and local Housing Agencies (HAs).

#### 2.8.2.2 Public Housing Operating Fund

*Operating Subsidies:* Financial assistance in the form of subsidies is provided for project operations to approximately 3,200 HAs with approximately 1.3 million units under management.

#### 2.8.2.3 Public Housing Capital Fund

Funds are provided by formula for capital improvements (i.e., developing, rehabilitating and demolishing units), for replacement housing, and for management improvements.

#### 2.8.2.4 Other Public Housing Programs

2.8.2.5 *Native American Housing Block Grants and Home Loan Guarantees.* Native Americans are assisted in building or purchasing homes on Trust Land; obtaining affordable housing; implementing local housing strategies to promote homeownership; and developing viable communities.

2.8.2.6 *Services to Families and Individuals:* Grants are provided for HAs to administer programs that help to stabilize the lives of families living in public housing.

2.8.2.7 *HOPE VI:* Funds are awarded to HAs for demolition of obsolete public housing; major reconstruction, rehabilitation, and new construction; management improvements; planning and technical assistance; and self-sufficiency programs for residents.

### 2.8.3 **The Office of Community Planning and Development (CPD)**

CPD administers the Department's major economic and community development grant programs, several housing programs, and HUD's homeless

assistance programs. The following are the largest:

2.8.3.1 *Community Development*: Community Development Block Grants are provided to units of local government and States for the funding of local community development programs that address housing and economic development needs, primarily for low and moderate-income persons.

2.8.3.2 *Affordable Housing Programs*: HOME Investment Partnership Grants provide assistance to renters and first-time homebuyers, build State and local capacity to carry out affordable housing programs, and expand the capacity of nonprofit community housing organizations to develop and manage housing. The Housing Opportunities for Persons with AIDS (HOPWA) provides affordable housing and related assistance to persons with HIV/AIDS.

2.8.3.3 *Homeless Programs*: Programs developed under the McKinney-Vento Homeless Assistance Act consist primarily of grants to communities to establish comprehensive systems for meeting the needs of homeless people and persons with AIDS.

#### 2.8.4 **The Office of Fair Housing and Equal Opportunity (OFHEO)**

OFHEO enforces the Federal Fair Housing Act and other civil rights laws in its effort to ensure equal housing opportunity. The Federal Fair Housing Act prohibits discrimination based on race, color, religion, sex, national origin, disability, or familial status. OFHEO also endeavors to direct jobs, training, and economic opportunities to low-income residents in communities receiving housing and community development assistance.

2.8.4.1 *Fair Housing Assistance Program (FHAP)* provides grants to State and local agencies that administer fair housing laws, which are substantially equivalent to the Federal Fair Housing Act.

2.8.4.2 *Fair Housing Initiatives Program (FHIP)* provides funds competitively to private and public entities to carry out local, regional and national programs that assist in eliminating discriminatory housing practices and educate the public and housing providers on their fair housing rights and responsibilities.

#### 2.8.5 **The Office of Healthy Homes and Lead Hazard Control**

The Office of Healthy Homes and Lead Hazard Control provides funds to State and local governments to develop cost effective ways to reduce lead-

based paint hazards and other housing related health risks.

## **2.9 HUD's OCFO ORGANIZATION**

The Office of the Chief Financial Officer:

- 2.9.1 Leads the Department's Headquarters and Field Office officials toward the understanding and practice of sound financial management in program development and operations and in the stewardship of public resources.
- 2.9.2 Advises the Secretary on all aspects of financial management.
- 2.9.3 Ensures that the Department establishes and meets financial management goals and objectives and that the Agency is in compliance with financial management legislation and directives. The scope of activity crosscuts the entire Agency.
- 2.9.4 Establishes policies and standards for development, maintenance, operations and evaluation of the Agency's financial management systems. This includes: budget and accounting systems; internal control systems; financial reporting systems; asset and credit management systems; and systems to audit compliance with financial management and related requirements.
- 2.9.5 Coordinates policy of financial accounting systems and services (other than Government National Mortgage Association (Ginnie Mae) and Federal Housing Administration (FHA)).

## **3.0 SCOPE:**

The broad requirement for ICFS is to replace the current core financial system with a solution that includes all financial management organizations and financial systems that provide financial information to HUD's consolidated financial statements. Additionally, programmatic data and performance data will be extracted from organizational systems to be included as part of the future HUD financial data mart. The current core financial system's subsidiary systems that are integrated, interfaced, or otherwise provide information to the current core financial system will be affected as a phased plan is implemented to transition HUD to the new integrated system. The existing core financial system will be phased out over the implementation period and relevant data transferred to ICFS. Similarly, the current subsidiary financial systems will be assessed and a decision made whether to integrate, interface, adapt, enhance, consolidate, or replace each system to support the ultimate solution.

When this program is completed, the Integrated Core Financial System (ICFS) will become the Integrated Financial Management Solution (IFMS) -- a Department-wide solution that includes systems for OCFO, FHA, Ginnie Mae, and OFHEO giving HUD a financial, programmatic and customer-centric enterprise-wide solution. These systems will be used to support all HUD's field installations and headquarters (approximately 81 field sites) and for the management of HUD's annual appropriation

of \$35 billion and other budgetary resources and long-term program obligations and guarantees.

#### **4.0 OBJECTIVES:**

**4.1 Project Management Objectives.** The offer or shall provide a project management organization to ensure that project management is an essential part of ICFS and runs throughout the entire duration of this effort. The following are the project management objectives:

- 4.1.1 Perform necessary project planning to accomplish the COTS implementation, Reports, Interfaces, Conversions, Training, BPR and Extensions analysis/configuration, development, and provide associated documentation to address all requirements, including project plan, work breakdown structure, quality control plan, and team coordination plan.
- 4.1.2 Provide Change Management to HIFMIP stakeholders working collaboratively within a Government-led Integrated Project Team (IPT). The Contractor shall provide Change Management to all HIFMIP affected organization's transformation initiatives to include end-user change management/ acceptance. The Contractor shall leverage existing ongoing support provided by the HIFMIP Stakeholder IPT to the extent possible.
- 4.1.3 Provide a fully integrated prime and subcontractor team that integrates horizontally across functions and vertically across team members. The Contractor shall use and enforce standard processes across the integrated team.
- 4.1.4 Provide an integrated solution addressing a phased implementation approach similar to the phases presented in the Roadmap (Attachment 24). HUD will not consider phased functionality of the core financial management processes. At its core, this approach will use a performance-based acquisition strategy based on effective planning and requirements analysis.
- 4.1.5 Identify, capture and report on any metrics that support the effective project management of ICFS, including Earned Value Management Reporting. Conduct at least monthly status meetings and document at least monthly status reports.
- 4.1.6 Develop, manage, and maintain a program web site to post appropriate user notifications, documentation, status, and similar information.
- 4.1.7 Participate in technical reviews, which are administered by OCIO through monthly and quarterly reviews of updated project plans maintained in OCIO's eCPics system and the Inventory of Automated Systems and through ad hoc reviews on selected subjects.
- 4.1.8 Participate in HUD management reviews, such as the annual review by HUD's Project Management Review Board, which typically occurs during the third quarter of the fiscal year.

- 4.1.9 Prepare information for HUD budget reviews, which require monthly updates to costs in the project plan and periodic reporting, typically within 30-60 days of the close of each quarter.
- 4.1.10 Participate in HUD's Enterprise Architecture, a standards-setting program for hardware, software, and methodologies administered by OCIO: the project team must maintain current information about the ICFMS and the FHA Subsidiary Ledger within HUD's Enterprise Architecture Management System (EAMS) and contribute to the development and maintenance of enterprise architecture plans for the Office of the Chief Financial Officer and the Office of Housing.
- 4.1.11 Coordinate planning for infrastructure and operations support, including hardware and software planning and operational performance standards, with HUD.
- 4.1.12 Demonstrate satisfactory project management controls mandated by OCIO and OMB, such as Earned Value Management.

**4.2 System Integration Objectives.** The Contractor shall implement HUD Integrated Core Financial System (ICFS) requirements, to include PeopleSoft Financial Management System (FMS) and Supply Chain Management (SCM), as referenced/outlined in the Functional Requirements Document (FRD) (Attachment 18), the Data Requirements Document (DRD) (Attachment 17), the Roadmap (Attachment 24) and the Legacy Systems Disposition Paper (LSDP) (Attachment 25). The solution shall be implemented in accordance with HUD's Software Development Methodology (SDM) (<http://www.hud.gov/offices/cio/sdm/index.cfm>). HUD's SDM requires specific tasks and deliverables during the various life cycle stages. The Offeror is not prevented from using their proposed methodology as long as it maps to HUD's SDM. The methodology may be varied to accommodate a COTS implementation, The solution shall take advantage of commercial "best practices" to leverage HUD financial and accounting business processes. The following system integration objectives have been established:

- 4.2.1 Provide a single, scalable, integrated financial management system that processes and reports all core financial events enterprise-wide from point of origin to point of dissemination using PeopleSoft FMS and SCM.
- 4.2.2 Provide PeopleSoft implementation that integrates seamlessly with HUD's identified financial systems to ensure all financial events are recorded in a timely standardized manner.
- 4.2.3 Provide deployment of functional and technical capabilities.
- 4.2.4 Take advantage of technologies such as centralized databases, existing data warehouses and modern analytical reporting tools to provide system users with both the ability to provide accurate and timely financial data to decision makers and the ability to drill down through financial data from a highly aggregated level to transaction level detail.
- 4.2.5 Maximize interoperability through approaches that create interfaces that allow for legacy system and application integration and results in transparent, user-friendly access to required information and services.

Specific interface expectations and information (such as the new interface from the Nortridge Loan System (COTS) to ICFS) may be found in the Roadmap, Functional Requirement documents, and Legacy System Disposition attachments.

- 4.2.6 Interface accounting system software with other insurance and financial systems within FHA and HUD: these systems are maintained and operated separately from the ICFS and the FHA Subsidiary Ledger project by other HUD organizations and contractors, and coordination with those contractors is required to maintain the interfaces. Ensure the online real-time ICFMS interfaces for the following 4 systems:
  - 4.2.6.1 HUD Procurement System (HPS)
  - 4.2.6.2 Small Purchase System (SPS)
  - 4.2.6.3 eTravel
  - 4.2.6.4 Single Family Asset Management's outsourced service provider
- 4.2.7 Architect/design and implement a solution with the SOO, FRD, DRD, and the Legacy Systems Disposition Plan using the PeopleSoft FMS and SCM (including bolt-ons and extensions) software that are compliant with applicable technical and functional directives. Coordinate any proposed bolt-on changes or additional components so that they will not harm the PeopleSoft COTS product and its JFMIP qualification. The Contractor shall have ultimate responsibility for managing PeopleSoft and ensuring ongoing compliancy/qualification.
- 4.2.8 Employ a disciplined system engineering process to develop a system meeting reliability, availability, flexibility, expandability, scalability, portability, sustainability, performance, and monitoring requirements.
- 4.2.9 Perform Information Assurance/Information Protection (IA/IP) support in accordance with the Government IA/IP policies, standards/ regulations, and requirements/planning (National Information Assurance Strategy (NIAS), National Institute of Standards and Technology (NIST) and the System Security Plan).
- 4.2.10 Provide support for the Department-wide audit which includes the Working Capital Fund, Salaries and Expense, and General and Program Accounts: e.g., Section 8 Project-Based Rental Assistance, Section 202/811 Capital Grants, Other Housing Programs (i.e., RESPA, Section 202, Section 235, Section 236), Housing Certificate Fund, Public Housing Operating Fund, Public Housing Capital Fund, Other Public Housing Programs (i.e., Native American Housing Block Grants and Home Loan Guarantees, Services to Families and Individuals, HOPE VI), Community Development Programs, Affordable Housing Programs, Homeless Programs, Fair Housing Assistance Program (FHAP), Fair Housing Initiatives Program (FHIP), the Office of Healthy Homes and Lead Hazard Control Programs.
- 4.2.11 Provide support for all government reports, assessments, reviews, audits, investigations, and other processes required to monitor and assure

compliance . Include all activities necessary to satisfy the requirements of the monitoring or assurance procedures, including among other things, briefings and overviews, tours of facilities, production of documents, completion of self assessments, reports on compliance, providing access to auditors and reviewers for tests, execution of corrective action plans, tracking and reporting progress against corrective action plans, providing artifacts necessary to demonstrate compliance or to demonstrate completion of corrective actions, and the like.

- 4.2.12 Support response to requests for information and for comment from the Office of the Inspector General (OIG) and its contractors for audits of HUD, FHA, GNMA, and OFEO financial statements (as applicable) or subjects of special interest to the Inspector General and from the GAO for audits and studies of subjects of interest to the Congress.
- 4.2.13 Support system reviews for FFMIA, OMB Circular A-123, OMB Circular A-127, and OMB Circular A-130 compliance, conducted variously by OCIO, the Office of Housing, and the Office of the Chief Financial Officer and their contractors.
- 4.2.14 Support essential review and qualification procedures for federal systems in accordance with mandatory standards of the National Institute for Standards and Technology (NIST) including Certification and Accreditation reviews and remedial activities necessary to achieve and maintain Authority to Operate.
- 4.2.15 Accomplish data migration, conversion, and cutover from legacy systems as identified in the Data Requirements Document and the Legacy System Disposition Plan. HUD requires that all current and historical financial data be converted as necessary and migrated to the integrated system. The contractor shall develop an ICFS Cutover Plan. During the data conversion process the Contractor shall create an automated data exception handling process.
- 4.2.16 Perform increment testing for the system including unit tests for all components to ensure proper functioning consistent with HUD software development testing requirements as referenced in the HUD SDM. The Contractor shall ensure that proposed testing tools are compatible and interoperable with PeopleSoft COTS and other standard tools on the HUD platform.
- 4.2.17 Ensure that tools include, but are not limited to, business process reengineering (BPR); requirements; configuration management; analysis and design; scheduling; and metrics and reporting are compatible/ interoperable with other HUD standard tools.
- 4.2.18 Provide ICFS-unique hardware, software, and services to support life cycle environments to include solution development, configuration, integration, staging, testing, and sustainment. This includes hardware/software/services for development, unit/systems testing, integration testing, configuration, integration, staging, testing support, and sustainment in the Contractor's facility. The contractor shall develop and provide appropriate test plans for testing to be performed.

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- 4.2.19 Provide integration evaluation support in the Contractor's facilities to include HIFMIP contractor support, knowledge transfer to the Government staff, application installation/configuration/integration support, documentation updates, independent test support, and pre/post production review and load assistance.
- 4.2.20 Support the Independent, Verification, and Validation (IV and V) test during acceptance testing and certification of the ICFS. The Contractor shall rework and correct all errors found by the IV and V test team during acceptance testing.
- 4.2.21 Provide support to HIFMIP project stakeholders or equivalent groups as needed to implement an enterprise-wide core financial management system.
- 4.2.22 Support reviews required by the HUD SDM by identifying future phase information, functional and design requirements and updating required SDM documentation to include but not be limited to the Risk Analysis, System Decision Paper, Project Plan, Functional Requirements Document, Data Requirements Document, System Security and System Support Plans, and the Continuity of Operations Plan (COOP).
- 4.2.23 Perform deployment activities, HUD migration support, and help desk support services. Provide full help desk support for the product(s) they are responsible for integrating and supporting.
- 4.2.24 Provide User's, Operations, and Maintenance manuals to the User, System, and Maintenance personnel, respectively. User's manuals shall be written in non-technical language to ensure better understanding on the part of users. The Operation and Maintenance manuals shall be written in appropriate technical language. Provide manuals that are developed in accordance with HUD SDM documentation standards. Prepare the Maintenance Manual with adequate information on projected maintenance needs and problems.
- 4.2.25 Incorporate sufficient data processing and security controls in the detailed design to ensure integrity of the system. Define and document rules for authorizing transactions and provide documentation suitable for use as audit trails
- 4.2.26 Provide an Installation and Conversion Plan containing adequate information to all HUD organizations affected by implementation of ICFS.
- 4.2.27 Standardize and implement the business processes/rules, reports and business architecture within the appropriate communities of interest to enable production of aggregated and integrated financial reports and statements as referenced in the Functional Requirements Document.
- 4.2.28 Provide the ability to capture and validate information once, so that it can be re-used by the enterprise as a trusted source and eliminate data re-entry.
- 4.2.29 Implement the PeopleSoft Financial Management Solution within the Shared Service Center (SSC) environment. Source code customization of the PeopleSoft FMS and SCM is not authorized. Customization of the

PeopleSoft software must be kept at a minimum and must be approved by the Contracting Officer. (Please refer to the RFP Section H11 for additional information on customizations.) Any requirement that cannot be met by the PeopleSoft FMS and SCM shall be implemented in accordance with the HUD SDM in the form of a “bolt-on” or other COTS modules. The Contractor shall implement “bolt-ons” or other COTS modules only with the approval of the HUD Contracting Officer (CO). The contractor shall develop a Transition/Cut-Over Plan.

- 4.2.30 Provide pre-implementation activities to include a robust system test using HUD financial data prior to going live. The robust system test shall encompass a year's worth of financial transactions. The Contractor shall conduct the robust system test with testing tools that can simulate data entry and posting of the defined set of transactions to allow full testing of ICFS, including annual closing, prior to going live. The Contractor shall ensure the robust system test shall include the following components: Online entry of transactions, Online, real-time interfaces, Batch loading of interfaces, Production of standard reports, and Annual closing. For the robust system test, the Contractor shall address the question, Does ICFS work? and also the question, Does ICFS work properly? To answer the question of working properly, the Contractor shall compare the results from the robust system test to both expected results and to actual results in HUDCAPS. The Contractor shall be expected to conduct specific testing, establish processes, and receive HUD's written acceptance of the robust testing completeness and results prior to the go live date.
- 4.2.31 Determine training requirements for all job categories of personnel that will interface with the ICFS. Develop an ICFS training plan and expectations plan. Develop ICFS training materials and perform training to educate user and system personnel in the use of ICFS in accordance with the agreed upon Training Plan. Provide an evaluation matrix to ensure that the training is effective with a complete schedule. Perform documentation review and updates to include the System Decision Paper, Project Plan, PeopleSoft COTS Evaluation Report (Gap Analysis), Requirements Matrix and any other relevant project documentation.
- 4.2.32 Documents shall be in accordance with HUD SDM documentation standards as defined in HUD's SDM found at:  
<http://www.hud.gov/offices/cio/sdm/devlife/tempcheck.cfm>
- 4.2.33 Provide operational sustainment support to meet mission performance objectives and requirements as specified during the life of the contract.
- 4.2.34 Reconcile the FHA-Subsidiary Ledger PeopleSoft implementation to HUD OCFO business needs and requirements. The contractor shall document the results of the comparison and determine the optimal procedural path for OCFO ICFS implementation. HUD plans to leverage the installation, configuration, implementation and lessons learned from FHA's core financial system modernization initiative. It is during the Configuration Blueprinting task that Reports, Interfaces, Conversions, and Extensions (or Enhancements) objects will be further defined,

analyzed, prioritized and planned. This task also includes additional analysis for technical and design requirements as needed.

- 4.2.35 Provide for improved financial methods and processes through Business Process Reengineering supported by the PeopleSoft COTS package. The conduct of the BPR tasks and activities may identify special PeopleSoft COTS features, reports, and other enhancements that are not required or feasible for the base implementation but desirable going forward with the project. Any essential enhancements discovered should be included in the base implementation.

**4.3 Hosting and Configuration Management Objectives.** The Contractor shall perform Financial Management Shared Service Center (SSC) operations to provide PeopleSoft FMS and SCM functions in a long-term, multi-increment, and changing architectural environment. The Contractor shall perform HUD objectives throughout the ICFS life cycle.

- 4.3.1 Perform initialization of PeopleSoft Financial Management Solutions (FMS) and Supply Chain Management (SCM) software to cover:

4.3.1.1 Architecture Objectives

- Provide architecture and design services as required for the application solution and/or operational infrastructure.

4.3.1.2 Installation Objectives

- Install hardware, software, and network equipment per established Standard Operating Procedures (SOPs).

4.3.1.3 Configuration Objectives

- Configure hardware, software, and network equipment per established SOPs.

- 4.3.2 Prepare Service Level Agreement (SLA) covering sections found in the attached Service Level Agreement Outline.

- 4.3.3 Establish Performance Measurement Indicators; such as:

4.3.3.1 Service Availability as a Percentage of Normal Business hours - measures overall service availability. The maximum threshold is the maximum outage per incident and/or total sum of outage per month.

4.3.3.2 Percentage of transaction response times more than x seconds - measures transaction times against a threshold of x seconds and measure the number of slower transactions as a percentage of the total.

4.3.3.3 Service Incident (affecting multiple users) Response times, resolution times and status updates - creates incident reports that

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track actions with timestamps. These are measured against the time thresholds.

4.3.3.4 Service Incident (affecting single users) Response times, resolution times and status updates - creates incident reports that track actions with timestamps. These are measured against the time thresholds.

4.3.3.5 Inquiry response times, answer times and status updates - creates incident reports that track actions with timestamps. These are measured against the time thresholds.

4.3.4 Provide Performance Assessment Reports.

4.3.5 Establish, support, and maintain base operations of PeopleSoft FMS and SCM software in accordance with a mutually agreed to SLA between HUD and the Shared Service Provider (SSP); including:

- Perform hardware, software, and network management to maintain effective applications and/or database administration availability for SSC Development environments.

4.3.6 Provide operational support for the migration of the ICFS (core financial system) from HUDCAPS to PeopleSoft FMS and SCM at the SSC.

4.3.7 Perform installation of upgrade software, middleware, and connectivity program code.

4.3.8 Provide database administration and management such as: upgrades, tuning for optimal performance, auditing, and monitoring for data integrity.

4.3.9 Provide application administration such as: applying patches with testing, performing configuration changes with testing.

4.3.10 Perform release upgrades after testing, auditing, and taking other quality assurance steps.

4.3.11 Perform periodic tests of system recovery, for the reload of all software and data from off-site back-up source materials onto a designated remote computing site, the complete operation of all applications and operations designated as “critical” shall be demonstrated within a reasonable recovery time and other recovery activities.

4.3.12 Ensure implementation of integrator capabilities across potentially multiple architectures and changing software versions to include:

4.3.12.1 Consistent solution/configuration across multiple architectures. (Note that the choice of integration tools and solutions may result in differing architectures.)

4.3.12.2 Consistent solution/configuration across changing software versions

4.3.12.3 Consistent solution/configuration across multiple physical instances.

4.3.13 Perform Specific Configuration Management tasks to:

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- 4.3.13.1 Operate in compliance with the standards and procedures defined by OCIO, including standards for such functions as security, configuration management, operations, contingency planning and business resumption.
- 4.3.13.2 Function as ICFS Change Control facilitator. Support the HUD/HIFMIP change control process (CCB processes), scheduling, documentation/reviews, and baseline decisions.
- 4.3.13.3 Coordinate, communicate, and assist in enforcing consistent configuration management across all ICFS increments/instances.
- 4.3.13.4 Ensure configuration, requirement changes, and other technical issues are reviewed and results/decisions are reported to the Configuration Control team.
- 4.3.13.5 Provide and maintain a library to store and consolidate training courseware and documentation.
- 4.3.13.6 Create, maintain, and control a software resolution database and an application code library.
- 4.3.13.7 Establish, support, and maintain a common Software Problem Report (SPR) and Deficiency Report (DR) process and tracking database.
- 4.3.13.8 Perform ICFS configuration control for:
  - 4.3.13.8.1 Data/architecture/security standards.
  - 4.3.13.8.2 Data schema/metadata definitions and repository.
  - 4.3.13.8.3 Software product baselines.
  - 4.3.13.8.4 Platform environmental standards.
  - 4.3.13.8.5 System documentation and training courseware.
  - 4.3.13.8.6 Application code library.
  - 4.3.13.8.7 Interface standards and definitions.
- 4.3.14 Provide program software license management to ensure all licenses or software approvals are kept current in conjunction with the implementation and sustainment activities and to ensure no unlicensed or unapproved software is used in conjunction with the implementation and sustainment activities.
- 4.3.15 Maintain, communicate, coordinate, and assist in establishing architecture, data, and security standards.
- 4.3.16 Establish and maintain an ICFS enterprise solution roadmap to include incremental production rollouts, test phases, and locations, integration development phases, legacy system retirement, milestones, etc.
- 4.3.17 Use tools compatible/interoperable with HUD Enterprise Architecture.
- 4.3.18 Accomplish knowledge management to include the conscious and comprehensive gathering, organizing, sharing, and analysis of internal

knowledge in terms of resources, documents, decisions, and team skills and facilitating transfer of that knowledge to ICFS stakeholders.

4.3.19 Ensure the Security Capabilities and Characteristics of the ICFS and its future enhancements.

4.3.19.1 The security model for the ICFS is founded on OMB, NIST, and HUD security policy and governance used as the baseline for a number of Government-wide initiatives. The purpose of this security model is to adequately protect the ICFS data so that the HUD Designated Approval Authority (DAA) will accept the level of risk and grant Authority to Operate for the ICFS. If the DAA does not feel that risks have been adequately mitigated, the ICFS will not be permitted to operate. The ICFS notional architecture assumes a single logical ICFS environment with robust logical and physical protection schemes, including operational security (OPSEC). Government information security guidelines do not distinguish between services and products, nor do they distinguish whether the hosting systems are Government- or vendor-owned. The ICFS will contain Government data requiring the same level of security and protection required for Government-owned information systems.

#### 4.3.19.2 General Security Standards

Provide high levels of security in conjunction with the security requirements referenced in the System Security Plan. The ICFS should, to the maximum extent possible, meet or exceed the following objective for security.

4.3.19.2.1 Data stored within the ICFS may vary among low, medium, and high sensitivity levels across agencies, within agencies, and even within individual travel actions as seen from different agency perspectives. Agency-specific and possibly data-specific configurable security is desirable, but is anticipated to be cost-prohibitive. Contractors may propose a configurable security scheme that is more configurable and scalable if it can be demonstrated to be of greater benefit or cost-effectiveness to the Government.

#### 4.3.19.3 Access and Authentication

The ICFS should, to the maximum extent possible, meet or exceed the following objectives for access and authentication. These objectives are of equal importance to the Government:

4.3.19.3.1 The ICFS should display contact information for the ICFS Information System Security Officer (ISSO) (to be provided at the time of contract award) in the initial portal screen and in all help screens; and

4.3.19.3.2 The ICFS should have an agency configurable session timeout feature (configurable only by an agency ICFS administrator) to prevent inappropriate access and viewing of any material during user absence. The default timeout shall be 15 minutes of inactivity such that if the user has no interaction with ICFS for that time, the user will be required to re-authenticate in order to resume use of the system. Session state and data entered at the moment of timeout shall be saved to the maximum extent possible.

#### 4.3.19.4 Data Security

The ICFS should meet or exceed the following mandatory requirements for data security:

## Attachment (1)

- 4.3.19.4.1 The Shared Service Provider (SSP) shall protect data at the “Medium” level for Sensitive But Unclassified (SBU) data in accordance with the security standards cited herein;
- 4.3.19.4.2 The SSP shall transmit all data via the Internet employing a minimum of 128-bit encryption that meets NIST-approved standards for 128-bit encryption as described in Federal Information Processing Standard (FIPS) 46-3 and FIPS 197 (e.g., AES, Triple DES, etc.). Refer to FIPS 186-2 for Digital Signature Standards. (Agency requirements that exceed these standards will be handled on a case-by-case basis.); and
- 4.3.19.4.3 The SSP shall protect Federal financial information against disruption, theft, exploitation, and inadvertent disclosure.

### 4.3.19.5 Government Access

The ICFS shall meet or exceed the following mandatory requirement for Government access:

- 4.3.19.5.1 The Contractor shall afford the Government and duly designated Government support contractors access to the Contractor’s and subcontractors’ facilities, installations, operations, documentation, databases and personnel used in performance of the ICFS contract. Access shall be provided to the extent required to carry out a program of security inspection (to include vulnerability testing, risk analysis, etc.), investigation, and audit. Such access and activities are required in order to safeguard against threats and hazards to the integrity, availability and confidentiality of ICFS data, to the function of information technology systems operated on behalf of HUD, and in order to preserve evidence of computer crime if committed.

### 4.3.19.6 Subcontractor Security

The ICFS shall meet or exceed the following mandatory requirement for subcontractor security:

- 4.3.19.6.1 The Contractor shall incorporate the security requirements of the contract in all subcontracts that support the ICFS.

- 4.4 **Migration Hosting for FHASL** The contractor shall work with the existing FHA Integration contractor to accomplish successful migration activities.

HUD's objective is for the FHASL to cutover to the SSC on April 1, 2008. The requirements for this objective are found in the FHASL Infrastructure Requirements (Attachment 27), FHASL Infrastructure Requirements Addendum (Attachment 28), FHASL Updates System Acquisition Plan (Attachment 29), with additional information provided in the FHA Subsidiary Ledger Operations Runbook (Attachment 30), FHASL IT Roles and Responsibilities (Attachment 31) and the HUD PeopleSoft Licenses (Attachment 32).

**4.5 OPTIONS - The following options may be executed concurrently and/or consecutively during option periods and may repeat for subsequent option periods.**

**4.5.1 Sustainment, Operations and Maintenance, Hosting for FHASL**

The contractor shall continue to host the FHA-Subsidiary Ledger at the Financial Management SSC. The objectives are substantially the same as those for project management and hosting as are included in Sections 4.1, 4.2, and 4.3. The contractor shall work with existing FHA Integration contractor(s) to accomplish successful sustainment activities.

**4.5.2 Implement ICFS for FHA** The contractor shall migrate the FHA Financial System into the HUD Integrated Core Financial System at the SSC. The contractor shall address FHASL future business releases planned for 2007 including but not limited to: MultiFamily Insurance (F47), MultiFamily Insurance Claims (F75), Interface to Single Family Insurance Claims (A43C), Single Family Distributive Shares and Refund System (A80D), and Single Family Acquisitions Management System (A80S). The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3.

**4.5.3 Sustainment (Operations and Maintenance) Hosting for ICFMS**

The SSP will continue to host any ICFS previously implemented business units per the SLA.

**4.5.4 Transition** The contractor shall develop, document, and execute a transition plan that may be used to transition tasks and materials to a new SSC/Implementation contractor or to the Government. The transition plan shall incorporate an inventory of all deliverables under this contract. The plan shall include a schedule of briefings, including dates and time and resources allotted, that will be required to conduct a full transition. The plan is to ensure that the Government will be provided all of these deliverables and be fully briefed at least 90 days prior to the expiration date of the current contract.

**4.5.5 Retire Hyperion Reporting** Integrate HUD's Consolidated Financial Statement System into the HUD ICFS at the SSC. This task will include replacing the Hyperion COTS with the COTS (PeopleSoft)

processes and reporting tools to produce HUD consolidated financial statements. HUD is currently upgrading from Hyperion Enterprise to Hyperion System 9 Financial Management. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3.

- 4.5.6 Implement ICFS for Ginnie Mae** Migrate the Ginnie Mae Financial System into the HUD ICFS at the SSC. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3.
- 4.5.7 Integrate HUD's new Procurement System with ICFS** Interface HUD's new procurement system with the HUD ICFS at the SSC. This task will include replacing the legacy procurement system interfaces with new procurement system interfaces that integrate with the COTS (PeopleSoft) processes for procurement. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3. (Please refer to section 6.3.6 of the attached Roadmap.)
- 4.5.8 Implement Budget Preparation/Formulation capabilities in ICFS** The planned integration of budget formulation with ICFMS will require an initial analysis of PeopleSoft products available to support the required budget formulation functions and their ability to integrate with ICFMS. If existing software modules or compatible products exist, this task will focus on acquisition, configuration, testing and hosting of the required capabilities. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3. (Please refer to Section 7.4.2 of the attached Roadmap.)
- 4.5.9 Integration of or Interface to new COTS products to ICFS** As new COTS modules or software become available and are selected for implementation into the ICFMS to meet the requirements of the HIFMIP Vision, HUD would provide more specific information regarding the implementation and integration of the product and solicit the product or service. Example #1: As a result of Oracle acquiring PeopleSoft, Oracle has released plans to merge the two COTS financial management software products to one product. If the transition is rolled out by a series of releases and routine upgrades, HUD would expect this to be covered under the routine operations and maintenance (sustainment) activities already specified in the objectives. If the transition is rolled out by a major upgrade to the new merged product, HUD would provide more specific information for implementing the product for all previously implemented business units. Example #2: The level of effort and nature of specific tasks to implement a new Financial Data Warehouse will vary depending upon what warehouse product is selected. If a PeopleSoft product is selected, it is likely that the integration points and interfaces with its financials package will already exist and will need to be configured and tested. If another warehouse product is selected, more traditional software design and

development tasks may be required. In either case, interfaces or integration points to load financial data on an ongoing basis will need to be designed and developed, and conversion of existing financial data will likely need to occur. (Note: HUD expects the existing Financial Data Mart to be interfaced as part of the base objectives.) The objectives are also substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3. (Please refer to Section 7.4.4 of the attached Roadmap.) Example #3: The level of effort and nature of specific tasks to implement a new Procurement System will vary depending upon what procurement system product is selected. If a PeopleSoft product is selected, it is likely that the integration points and interfaces with its financials package will already exist and will need to be configured and tested. If another procurement system product is selected, more traditional software design and development tasks may be required. In either case, interfaces or integration points to load procurement data on an ongoing basis will need to be designed and developed, and conversion of existing procurement data will likely need to occur. The objectives are also substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3. (Please refer to Section 7.4.4 of the attached Roadmap.)

- 4.5.10 Implement ICFS for OFHEO** Migrate the OFHEO Financial System into the HUD ICFS at the SSC. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3. (Please refer to Section 7.4.4 of the attached Roadmap.)
- 4.5.11 Integrate Financial, Programmatic, and Customer Data for Enterprise-wide information** Integrate HUD's programmatic data into the HUD ICFMS at the SSC. This will include adding programmatic data via new interfaces that integrate performance data processing with the COTS (PeopleSoft) financial processes and reports. The Contractor shall also implement PeopleSoft Customer Relationship Management (CRM) module to better manage and monitor third party performance. This will include adding CRM software to the COTS (PeopleSoft) financial processes and reports. Finally, the Contractor shall implement PeopleSoft Enterprise Performance Management system software to better integrate the financial, program performance, customer/business partner, and business management information. This will include adding Enterprise Performance Management software to the COTS (PeopleSoft) financial processes and reports. Please refer to the Roadmap (Attachment 24) and the Legacy Systems Disposition Plan (Attachment 25) for additional information. The objectives are substantially the same as those for project management, system integration and hosting as are included in Sections 4.1, 4.2 and 4.3.
- 4.5.12 Business Process Improvement Enhancements** The Contractor shall develop new reports, new business processes, and special features

based on analysis completed as part of the system integration tasks included in Section 4.2 and as enhancements are identified during normal business operations.

## **5.0 Requirements.**

The Contractor shall use a synergistic approach to satisfy ICFS requirements and expectations as identified in the documents referenced below.

- 5.1** This SOO (Attachment 1).
- 5.2** The Functional Requirements Document (FRD) (Attachment 18).
- 5.3** The Data Requirements Document (DRD) (Attachment 17).
- 5.4** The Legacy Systems Disposition Paper (LSDP) (Attachment 25).
- 5.5** The Roadmap (Attachment 24).
- 5.6** Supplemental Metrics and Information (Attachment 11)

## **6.0 Travel**

The contractor shall be required to travel to the HUD Accounting Center in Ft. Worth, Texas, and the 3 Administrative Service Centers: ASC1 Chicago, Illinois; ASC2 Atlanta, Georgia; and ASC3 Denver, Colorado; to gather field office design requirements and to conduct training if HUD staff cannot come to Washington DC. Travel shall be provided for a maximum of 4 contract staff for each trip for 3-4 days maximum. Depending on the contractor's training approach, additional travel to the above offices may be necessary during the base and option periods.

## **7.0 Period and Place of Performance**

The Period of Performance may be found in the Request for Proposals Section F.3, and the Place of Performance may be found in the Request for Proposals Section F.4.

## **8.0 Constraints**

- 8.1** The integration of the PeopleSoft COTS financial management modules will support HUD's planned enterprise architecture and provide for "integrated financial management" for the Department. For the purposes of this solicitation, the Offeror must demonstrate in the proposal that they will specifically transition our core financial functions and data to the PeopleSoft COTS modules.
- 8.2** The Offeror must demonstrate that development of ICFMS will produce online real-time ICFMS interfaces for the following 4 systems:
  - 8.2.1** HUD Procurement System (HPS)
  - 8.2.2** Small Purchase System (SPS)
  - 8.2.3** eTravel
  - 8.2.4** Single Family Asset Management's outsourced service provider
- 8.3** Due to the constraints of HUD's existing system agreements with other vendors, the Offeror must demonstrate in the proposal that they will cutover the FHASL to the SSC no later than April 1, 2008.
- 8.4** Due to the inherent problems with parallel system testing, the Offeror must demonstrate in the proposal that they will conduct robust system testing in lieu of parallel system testing, and the Offeror must demonstrate that HUD will have acceptance sign-off of the testing results prior to cutover.
- 8.5** The Offeror must demonstrate a phased implementation approach to transition HUD to the new Integrated Core Financial Management System (ICFMS). The Offeror must demonstrate a phased approach similar to that presented in the Attachment 24 Roadmap as HUD will not consider any phased functionality of the core financial management processes.

- 8.6** The Offeror must demonstrate in the proposal that they will begin and conduct concurrent activities to Migrate the FHASL and Integrate & Host ICFS.