

2. AMENDMENT/MODIFICATION NO. 001	3. EFFECTIVE DATE 11/02/06	4. REQUISITION/PURCHASE REQ. NO. R-2007-AY-00064	5. PROJECT NO. <i>(If applicable)</i>
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6. ISSUED U.S. DEPARTMENT OF HOUSING & URBAN DEV. OFC. OF THE CHIEF PROCUREMENT OFFICER 451 7 TH STREET, SW., ROOM 5266 WASHINGTON, D.C. 20410	7. ADMINISTERED BY <i>(If other than Item 6)</i> U.S. DEPARTMENT OF HOUSING & URBAN DEV. OFC. OF THE CHIEF PROCUREMENT OFFICER 451 7 TH STREET, SW., ROOM 5266 WASHINGTON, D.C. 20410
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8. NAME AND ADDRESS OF CONTRACTOR <i>(No., street, county, State and ZIP Code)</i> TO ALL OFFERORS	(✓)	9A. AMENDMENT OF SOLICITATION NO. R-OPC-23053-FINAL
		9B. DATED <i>(SEE ITEM II)</i> 10/31/06
		10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED <i>(SEE ITEM 13)</i>

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

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

12. ACCOUNTING AND APPROPRIATION DATA *(if required)*

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

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

E. IMPORTANT: Contractor [] is not, [] is required to sign this document and return ___ copies to the issuing office.

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

See attached continuation sheet.

15A. NAME AND TITLE OF SIGNER <i>(Type or print)</i>	16A. NAME AND TITLE OF CONTRACTING OFFICER <i>(Type or print)</i> ROBERT B. WISSMAN CONTRACTING OFFICER		
15B. CONTRACTOR/OFFEROR _____ <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ <i>(Signature of Contracting Officer)</i>	16C. DATE SIGNED

The purpose of this amendment is to:

1. Provide a revised Statement of Objectives (SOO);
2. Notify potential offerors that the HIFMIP attachments have been posted;
3. Provide a list of contractors currently providing services for systems that perform core accounting functions.

ACCORDINGLY:

1. Attachment No. 1 to this document contains the **latest** Statement of Objectives. This attachment replaces the previous version submitted with the final solicitation in its entirety.
2. Attachments to the solicitation are located at the following internet site:
<http://www.hud.gov/offices/cpo/contract/opc23053final.cfm>
3. Listed below is a list of contractors currently providing services for systems that perform core accounting functions.

<i>Contractor</i>	<i>Contract No.</i>	<i>Expiration Date</i>	<i>Estimated Value</i>	<i>Contractor(s) Point-of-Contact</i>	<i>Telephone No.</i>	<i>Services Currently Provided to HUD</i>
Electronic Data Services (EDS)	C-OPC-22807	All Options – 01/2015	\$404,137,600	Onur Ozel	703-742-2394	Hosting
Lockheed-Martin Corporation	C-OPC-22810	All Options – 01/2015	\$410,994,000	Marv Allen	301-306-8187	Hosting
Accenture	C-OPC-22128	All Options – 12/2007	\$ 25,000,000	Rochelle Bayard	202-708-0614 ext.3264	FHA Integration
Bearing Point	C-OPC-22885	All Options – 12/2006	\$ 12,264,550	Thomas Ossim	202-708-0614 ext. 4097	FHA Integration
Orizon	C-OPC-22120	All Options – 10/2006	\$ 28,000,000	Louis C. Thompson	202-708-0614 ext. 6103	FHA Integration
IBM	C-OPC-22857	All options – 08/2010	\$ 38,000,000	Shari Palumbo	202-708-0614 ext. 2025	FHA Sustainment
Deloitte & Touche, LLP	C-OPC-22826	All Options – 07/2010	\$ 3,095,500	Michael W. O’Neill	202-638-7840	Ginnie Mae System Integration
Delta Solutions & Technologies	C-OPC-22638 C-OPC-22758	03/31/2009 09/30/2009	\$ 24,000,000 \$ 25,000,000	Dave Galway Dave Galway	703-889-8051 703-889-8051	Sustainment – HUD OCFO (HUDCAPS)
Advanced Technology Systems (ATS)	C-OPC-22749	09/16/2009	\$ 20,000,000	Kathy Danner	703-506-0088 ext 4202	Sustainment – HUD OCFO (PAS/LOCS)

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 5 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

4.2.6.5 Multifamily Property Accounting and Loan Servicing System (CSMS)

- 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.
- 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 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:
 - 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:

- 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
 - 8.2.5** Multifamily Property Accounting and Loan Servicing System (CSMS)
- 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.