

TITLE: UI ACTUARIAL SUPPORT

The U.S. Department of Labor, Employment and Training Administration (ETA) is soliciting proposals to select a contractor to provide actuarial support for the Adult, Dislocated Worker, and Youth formula programs established under title I the Office of Workforce Security (OWS) in the areas of state unemployment insurance (UI) trust fund forecasting, technical assistance to states in managing profiling Models, budget and legislative estimating, and producing statistical reports.

You are invited to submit a proposal/bid in accordance with the requirements of the following Solicitation: [X] Request for Proposal, [] Invitation for Bid. Proposals/Bids must be received by the Government no later than the local time on the Due Date stated in the table below. Potential offerors/bidders are asked to complete and submit a proposal/bid intent form

See Section L (Section C if SF 1449 is used) for proposal/bid instructions

ALL AMENDMENTS TO THIS SOLICITATION WILL BE MADE AVAILABLE THROUGH THE GOVERNMENT HOMEPAGE AT <http://www.doleta.gov/sga/rfp.cfm>

IT IS THE OFFEROR'S RESPONSIBILITY TO CHECK THIS SITE PERIODICALLY FOR OFFICIAL UPDATES/ AMENDMENTS TO THE SOLICITATION.

| | |
|----------------------|-------------------------|
| Solicitation Number: | DOL081RP20152 |
| Issue Date: | 07-03-2008 |
| Due Date: | 08-05-2008 |
| Time: | 2:00 p.m. E.S.T |
| Program Office: | 1630 |
| Contracting Officer: | KEITH A. BOND |
| Contact Point: | DaVeana Johnson |
| Phone: | 202-693-2634 |
| Fax: | 202-693-3846 |
| E-Mail: | johnson.daveana@dol.gov |
| Set Aside: | 100% Small Business |

PERTINENT TECHNICAL SECTIONS OF SOLICITATION

Offerors are encouraged to carefully read the entire Solicitation by scrolling downward. The Solicitation includes all pertinent technical sections imbedded in the document as well as the instructions required for submitting a proposal. For your convenience, the pertinent technical sections of the Solicitation have also been linked directly below (in Adobe PDF format):

Section B - Supplies or Services and Price/Costs
Section C - Description/Specifications/Statement of Work
Section F - Deliveries or Performance
Section L -Instructions, Conditions, and Notices to Offerors
Section M - Evaluation Factors for Award

| | | | | | | |
|--|---|--|---|------------------------------|--|-------------|
| SOLICITATION, OFFER AND AWARD | | 1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) | | RATING N/A | PAGE OF 1 | PAGES 85 |
| 2. CONTRACT NUMBER | 3. SOLICITATION NUMBER DOL081RP20152 | 4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP) | | 5. DATE ISSUED 07-03-2008 | 6. REQUISITION/PURCHASE NUMBER 40-081A-689/259308 | |
| 7. ISSUED BY U.S. Department of Labor, ETA/OGCM Division of Contract Services 200 Constitution Avenue, NW Room N-4655 Washington DC 20210 | | CODE ETA | 8. ADDRESS OFFER TO (If other than Item 7) U.S. Department of Labor, ETA Division of Contract Services 200 Constitution Avenue, NW Room N-4655 Washington DC 20210 | | | |

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

SOLICITATION

9. Sealed offers in original and Section L.4 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if hand carried, in the depository located in Item 7 until 2:00pm E.S.T. local time 08-05-2008
(Hour) (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See 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 DaVeana Johnson | B. TELEPHONE (NO COLLECT CALLS) AREA CODE NUMBER EXT. 202-693-2634 | | C. E-MAIL ADDRESS johnson.daveana@dol.gov |
|---------------------------|----------------------------|--|--|--|

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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within 120 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 amendments to the SOLICITATION for offerors and related documents numbered and dated: | AMENDMENT NO. | DATE | AMENDMENT NO. | DATE |
| | | | | |
| | | | | |

| | | | |
|--|------|--|--|
| 15A. NAME AND ADDRESS OF OFFEROR | CODE | FACILITY | 16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print) |
| 15B. TELEPHONE NUMBER AREA CODE NUMBER EXT. 202-693-2634 | | <input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE | 17. SIGNATURE |
| | | | 18. OFFER DATE |

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(a) (_) <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) U.S. Department of Labor, ETA/OGCM Division of Contract Services 200 Constitution Avenue, NW Room N-4655 Washington DC 20210 | CODE | 25. PAYMENT WILL BE MADE BY U.S. Department of Labor, ETA Division of Accounting 200 Constitution Avenue, NW Room N-4702 Washington DC 20210 | CODE ETA |
| 26. NAME OF CONTRACTING OFFICER (Type or print) | 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 written notice.

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

SERVICES ORDERED

Title: "UI Actuarial Support"

The U.S. Department of Labor, Employment and Training Administration (DOL/ETA) is soliciting proposals to select a contractor to provide actuarial support for the Office of Workforce Security (OWS) in the areas of state unemployment insurance (UI) trust fund forecasting, technical assistance to states in managing profiling models, budget and legislative estimating, and producing statistical reports.

Solicitation No. is DOL081RP20152.

The period of performance is twelve (12) months from the date of contract execution plus four one-year options to be exercised at the discretion of the government.

This solicitation is a 100% Small Business Set-Aside.

The North American Industry Classification System Code is 541611, with a \$6.5 million size standard.

A cost reimbursement plus fixed fee type contract is contemplated for this solicitation.

Closing time and date are August 5, 2008, at 2:00pm local time.

The incumbent contractor under this solicitation is St. Louis and Associates of Tempe, Arizona, under contract number UI-13456-03-30. The contract was awarded on September 30, 2003 in the amount of \$301,699. The total amount awarded under this contract was \$1,598,118, inclusive of options.

REQUESTS FOR CLARIFICATION (RFC) MUST BE RECEIVED BY JULY 14, 2008, NO LATER THAN 5:00P.M. LOCAL TIME.

Only electronic submission of requests will be accepted. They shall be submitted to Ms. DaVeana Johnson at johnson.daveana@dol.gov. Should any RFC be received after the date stated above, the Government reserves the right not to provide an answer. If, however, the Government determines that the RFP raises an issue of significant importance, the Government will respond electronically.

The Government will not provide any information concerning requests for clarifications in response to telephone calls from offerors. All requests will be answered electronically and will be available to all offerors at the DOLETA Internet site (www.doleta.gov/sga/rfp.com). Offerors interested in being placed on a bidders list and networking for the above referenced RFP, please provide the Name and Address of Organization; Telephone Number; and Point of Contact electronically to DaVeana Johnson at johnson.daveana@dol.gov, by 5:00p.m., July 14, 2008.

Pleased be advised that is the sole responsibility of the offeror to continually view the Web site for any amendment to this solicitation.

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**C.1 PURPOSE**

The U.S. Department of Labor, Employment and Training Administration (DOL/ETA) is soliciting proposals to select a contractor to provide actuarial support for the Office of Workforce Security (OWS) in the areas of state unemployment insurance (UI) trust fund forecasting, technical assistance to states in managing profiling models, budget and legislative estimating, and producing statistical reports.

C.2 BACKGROUND

The Unemployment Insurance (UI) system, as established by the Social Security Act of 1935, is a unique Federal-state system grounded in Federal law, but executed in its relationship to the employer and to the unemployed worker through state law. Federal law provides the broad parameters for the program and individual state laws establish specific financing and benefit payment structures.

The Office of Workforce Security (OWS) of the U.S. Department of Labor is the Federal partner in the system. Its role is one of overall oversight and coordination, including ensuring conformity of state laws to Federal requirements, measurement of state performance, and providing for the administrative expenses of the program.

The Division of Fiscal and Actuarial Services (DFAS) of the OWS have several responsibilities in the UI system. Some of the most important are: providing technical assistance to states on benefit financing and profiling, producing budget and legislative estimates and analyses, monitoring Federal trust fund accounts, providing for administrative financing, and providing statistical and analytical support for OWS initiatives.

C.3 SCOPE OF WORK

The objective of this project is to provide the DFAS needed support in carrying out its responsibilities. The contractor for this project would assist the DFAS in two major areas.

The first major area is technical assistance to State Workforce Agencies (SWAs). A large part of the technical assistance is in the area of benefit financing. Since the 1970s, trust fund solvency has been an ongoing concern in the UI system. In theory, UI tax systems are designed to build up reserves in good economic times in order to pay benefits when unemployment is high. In practice, many states do not have adequate reserves and some are forced to borrow from the Federal loan fund even in relatively mild recessions. About three-fourths of the states have borrowed at one time or another, including nine states in the period following the 2001 recession. Currently, state trust fund accounts are less adequate than they were going into that recession.

The ongoing solvency concerns of the UI system make it important for the DFAS to be active in this area. A key activity is to make available to the SWAs a trust fund simulation model called the State Benefit Financing Model. This model is maintained and supported in the National Office by the DFAS and is currently used by about one-third of the states. The DFAS also works closely with states that

request assistance in modifying or designing new tax structures, either with or without use of the Benefit Financing Model. Another aspect of benefit financing technical assistance to states is the presentation of periodic Benefit Financing Seminars to introduce state actuarial staff to benefit financing concepts and trust fund forecasting techniques.

A second type of technical assistance is to assist states in the development and maintenance of profiling models. All states are required to profile their UI claimants in order to identify potential UI exhaustees and provide them reemployment services early in their UI spells. This is most often accomplished through the use of a statistical model, which uses various claimant characteristics to predict the probability of benefit exhaustion. When requested, DFAS works closely with states to develop and/or update these models. In response to two recent reports on the status of profiling models in the states, DFAS is reaching out to states to encourage them to update their models and to offer technical assistance.

A third type of technical assistance is the provision of training seminars in quantitative methods and profiling methods for state staff. The quantitative methods training gives state staff information, instruction and hands-on experience in basic regression and forecasting techniques that are applicable to UI trust fund forecasting and analysis. Similarly, the profiling methods training gives state staff information and experience in the specific statistical procedures used in developing profiling models.

The second major area in which the contractor will assist the DFAS is in its role at the national level. This role includes making estimates and doing analyses for budget and legislative purposes, monitoring Federal trust fund account activity and solvency, providing data analysis in support of DOL performance goals and in support of OWS initiatives, forecasting state workloads to allocate administrative funds, compiling and analyzing various UI indicators, and disseminating data to the public.

At least twice a year, the DFAS is responsible for updating all estimates and projections of UI benefit outlays, revenues, workloads, and administrative outlays in conjunction with the Federal budget process. The DFAS is also responsible for making estimates of the cost and revenue impact of proposed law changes being considered by the Congress or the Administration. Currently, DFAS is working on estimating the cost of proposals to create a temporary extended benefit program to stimulate the economy. To make these estimates and projections, the DFAS employs a number of computer models and spreadsheets, ranging from simple to complex. These models require continual monitoring, maintenance, and enhancements.

All of the administrative costs of the UI system, both state and Federal, are funded by the Federal unemployment tax. The DFAS is responsible for developing the overall administrative budget as well as for allocating the available funds equitably among the states. A key component of the annual allocation process is to forecast several key workload items by state. The DFAS puts a great deal of time and effort into using the best available statistical forecasting techniques for this purpose and to making forecasts on a consistent basis across states.

Another area of work involves compiling and publishing data and doing data analysis related to various UI indicators, including solvency measures,

reciprocity rates and wage replacement rates, that may be used to establish performance measures and goals. DFAS is responsible for developing, calculating and analyzing measures of trust fund adequacy such as the Average High Cost Multiple. DFAS is also responsible for estimating the amount of FUTA collections by state and compiling, publishing and analyzing comparisons of collections to amounts returned to states.

DFAS is responsible for providing various estimates and projections to be used in the annual and quarterly Department of Labor Financial Statements. These include estimating disbursements, estimating accrued benefit payments, and simulating the impact of various recession scenarios on balances in the Unemployment Trust Fund.

C.4 PROJECT TASKS

Quantitative Methods and Profiling Methods Training

1. The contractor shall produce up to 5 one-week Quantitative Methods and Profiling Methods Seminars during the project period, for approximately twenty participants from SWAs.

The quantitative methods training is provided for the purpose of improving the quantitative analysis skills of SWA personnel engaged in trust fund forecasting. This training will focus on using statistical methods to build a UI benefit cost estimating model and to project workloads and other variables. The content of this training will include the following topics: 1) introductory statistics, including descriptive statistics, correlation, hypothesis testing, distribution analysis, and variance and error measurement; 2) regression analysis, including significance testing, model building techniques, regression diagnostics, problems encountered in Ordinary Least Squares, varying functional forms, and lagged variables; 3) forecasting methods, including time series analysis, auto-regressive moving average techniques, forecasting in regression analysis, and measuring forecast error; and 4) other topics relevant to UI benefit cost estimating, including use of survival rates. The training will emphasize hands-on learning using up-to-date statistical software.

The profiling methods training will include topics such as: identification of profiling variables, use of characteristic screens, building logistic regression models, techniques for overcoming statistical problems, and monitoring models. The training will emphasize hands-on learning using up-to-date statistical software.

The exact agenda of each seminar may vary according to the needs of state personnel as determined by the Contracting Officer's Technical Representative (COTR). The COTR will be responsible for the announcement and scheduling of each seminar and the selection of all participants. The contractor shall provide all training materials, equipment, software and supplies and arrange for facilities and lodging.

Budget and Legislative Analysis

2. The contractor shall maintain, monitor and improve computer models used to make Federal budget and legislative estimates. The contractor will have responsibility for the revenue and state loan model, which makes state-by-

state projections of tax rates, fund balances, loans, etc. The contractor will also have responsibility for the STUBEN regular benefits model and the Extended Benefits (EB) model. Model equations must be updated annually. The contractor shall review and assess alternative techniques and methodologies for modeling and projecting key UI program variables. All model changes must be documented.

The contractor shall monitor, maintain and improve a model to make projections of costs, beneficiaries and workloads for temporary federal extended benefits programs such as the EEUC program currently under consideration. The model must include, at a minimum, the following features: multiple trigger mechanisms with and without lookbacks, varying benefit duration and multiple tiers of duration, reachbacks, different types of interaction with the permanent EB program, benefit phaseouts and cutoffs, and the ability to simulate different economic scenarios. Links must be made to other models and systems that either provide input or use the results. The model must be documented and equations must be updated annually.

3. The contractor shall work with Federal staff to make annual three-year-ahead forecasts of six state UI workload items, using the best available statistical methods, for the purpose of developing Resource Justification Model submissions and for allocating the base administrative budget. The contractor shall assist in determining what methods should be used and how they should be applied such that all states are treated equitably in the process and the most accurate forecasts are produced.
4. The contractor shall produce actuarial calculations on a quarterly basis for the DOL financial statements. These include estimated disbursements for the current and prior month, due and payable accruals for all programs, and existing claims accruals for Federal UI programs. The contractor shall also produce information annually for the Required Supplemental Information attachment to the financial statements, including 10-year projections of UTF balances under various economic scenarios and an assessment of state solvency using a variation of the Average High Cost Multiple.

Profiling Model Technical Assistance

5. The contractor shall assist DFAS in providing technical assistance and support to states and Regional Offices in developing, implementing, maintaining and updating statistical models or characteristic screening systems for identifying claimants likely to exhaust benefits and in need of reemployment services. Technical assistance will be performed either via telephone or on-site, as determined by the COTR. Technical assistance will include: identifying and analyzing state data sources and elements, determining model specifications and estimating model coefficients, developing system specifications, in coordination with state staff, for integrating the econometric model into existing UI software systems and for interfacing with identified data sources, and assisting Regional Office staff in reviewing and assessing state profiling systems.

Trust Fund Forecasting Technical Assistance

6. As needed, the contractor shall work with DFAS staff to provide support to SWAs in the task of forecasting UI trust fund balances using the State Benefit Financing Model. This task entails developing and maintaining various UI-related regression equations used in the simulation models, modeling new state UI laws, collecting and setting up numerous input data files, running simulations under various economic scenarios, and providing technical support to state users.
7. The contractor shall support the DFAS in producing two or three one-week Benefit Financing Seminars during the project period, for approximately twenty-five participants from SWAs. Topics will include: UI cost and revenue forecasting, UI tax structures, experience rating, measuring trust fund solvency, Title XII loans, and basic statistical methods. Hands-on use of the State Benefit Financing Model will be emphasized. The contractor shall provide all training materials and supplies and will coordinate logistics. Contract staff shall prepare presentations jointly with Federal staff. The COTR will determine seminar dates and specific course content.

Reports

8. The contractor shall prepare a quarterly publication, the UI Data Summary, which provides a detailed comparison of the status of states with respect to unemployment rates, benefit payment activities, revenues, and trust fund reserves. The publication shall be made available both in hard copy and on the OWS website. The contractor shall maintain and document routines used to extract data, manipulate data, and produce the report. The contractor shall respond to requests for data related to this report or other UI data from researchers, Congressional staff, etc.
9. The contractor shall publish official five-year UI projections and Federal and state trust fund account status in the UI Outlook. These projections are updated twice a year in conjunction with the Federal budget process. The publication shall be made available both in hard copy and on the OWS website. Routines and spreadsheets must be documented.
10. The contractor shall produce annual estimates of the amounts of FUTA taxes paid by employers in each state and compile data on the amounts returned to the states for administration and benefits. The contractor shall publish these data in a form determined by the COTR.
11. The contractor shall compute annually or more frequently as required, state fund adequacy measures such as the Average High Cost Multiple and perform analyses of these measures as required. The contractor shall publish these data in a form determined by the COTR.

C.5 WORK SITE AND GOVERNMENT-FURNISHED FACILITIES

Except for training seminars, the work on this project will be located on-site at the Office of Workforce Security of the Employment and Training Administration in Washington, D.C., to facilitate coordination with OWS staff and access to the UI database and to computer networks and equipment. Some travel may be necessary. The Government will furnish each individual assigned to the contract proper

identification to facilitate entry and departure from Government buildings as deemed necessary by the COTR. The Government will provide the office space, furniture, supplies, equipment, and other support, as necessary, to complete project tasks within specified timeframes. The contractor may purchase, with Government approval, personal computers and software for use on this project. Ownership will revert to the Government upon termination of the contract. The Government will also provide access to the appropriate computer systems and databases necessary to perform the tasks under this contract.

C.6 SPECIAL REQUIREMENTS

The contractor shall be required to provide the necessary personnel to accomplish each task listed above. The key personnel positions and their required time commitments are listed as follows:

Project Director (10%)

Project Manager (100%)

SECTION D - PACKAGING AND MARKING

[For this Solicitation, there are NO clauses in this Section]

SECTION E - INSPECTION AND ACCEPTANCE

E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

| NUMBER | TITLE | DATE |
|----------|---|----------|
| 52.246-5 | INSPECTION OF SERVICES--COST-REIMBURSEMENT | APR 1984 |

SECTION F - DELIVERIES OR PERFORMANCE**F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

| NUMBER | TITLE | DATE |
|-----------|---|----------|
| 52.242-15 | STOP-WORK ORDER ALTERNATE I (APR 1984) | AUG 1989 |
| 52.247-34 | F.O.B. DESTINATION | NOV 1991 |

F.2 PERIOD OF PERFORMANCE

The period of performance for this project will be 12 months from the date of execution plus four one-year options to be exercised at the discretion of the government.

F.3 LEVEL OF EFFORT

The level of effort for this project is estimated at between 2.5 and 2.7 professional person years. A professional year is estimated to be between \$90,000 and \$100,000. This includes all costs. The Government estimates are provided for contractor planning guidance only and do not bind the Government to a specific level of effort nor are they guaranteed or warranted by the Government in any manner. The contractor must use its best judgment to determine an appropriate level of effort for the contract work regardless of the accuracy of these estimates. There are 2,080 hours in a work year, this includes hours for vacation, sick leave and holidays. Offerors should use their best business judgment when proposing the number of hours for this project.

F.4 REPORTS AND DELIVERABLES

The contractor shall be responsible for supplying deliverables that correspond to the eleven tasks described in Section C.4 of the RFP.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 INVOICE REQUIREMENTS

Contractor will prepare and submit proper invoices (as defined in C below) in accordance with the criteria outlined below. (Also, see Clause 52.232-8 "Discount for Prompt Payment", contained in Section I of the contract.):

A. (1) If the contract is a cost-reimbursement type contract, the contractor will submit three (3) ink- signed copies of the invoice, Cost Contractor's Invoice, (ETA 3100-1), together with a detailed report of expenditures, Cost Contractor's Detailed Statement of Costs (ETA 3-2), to the Government Authorized Representative (GAR), U.S. Department of Labor, not more frequently than monthly, unless otherwise so authorized in the contract.

(2) If the contract is a fixed-price type contract, the contractor may submit SF-1034, Public Voucher, or the equivalent thereto; i.e., contractor's own invoice, in lieu of the forms described in A(1) above.

(3) Invoices should be submitted to the office listed below:

U.S. Department of Labor, ETA
ETA Division of Accounting
200 Constitution Avenue, NW, Room N-4702
Washington, D.C. 20210

B. The Detailed Report of Expenditures (ETA 3-2) submitted with the Invoice (ETA 3100-1) must include the same budget line items or cost categories as appears in the contract, including any modifications thereto.

C. To constitute a proper invoice, the invoice, must include the following information and/or attached documentation:

(1) Name and address of the Contractor;

(2) Invoice date;

(3) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(4) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(5) Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms. Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(6) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(7) Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice.

(8) Any other information or documentation required by other requirements of the contract.

In addition to the above, invoices should be numbered consecutively. All final invoices shall be clearly marked Final Invoice.

G.2 METHOD OF PAYMENT

A. Payments under this contract will be made either by check or electronic funds transfer (through the Treasury Fedline Communications System (FEDLINE) or the Automated Clearing House (ACH)), at the option of the Government. After award, but no later than 14 days before an invoice or contract financing request is submitted, the Contractor shall designate a financial institution for receipt of electronic funds transfer payments. The contractor shall submit this designation to the Contracting Officer or other Government official as directed.

B. For payments through FEDLINE, the Contractor shall provide the following information:

(1) Name, address, and telegraphic abbreviation of the financial institution receiving payment.

(2) The American Bankers Association 9-digit identifying number of the financing institution receiving payment if the institution has access to the Federal Reserve Communications System.

(3) Payee's account number at the financial institution where funds are to be transferred.

(4) If the financial institution does not have access to the Federal Reserve Communications System, provide the name, address, and telegraphic abbreviation of the correspondent financial institution through which the financial institution receiving payment obtains electronic funds transfer messages. Provide the telegraphic abbreviation and American Bankers Association identifying number for the correspondent institution.

C. For payments through ACH, the Contractor shall provide the following information:

(1) Routing transit number of the financial institution receiving payment (same as American Bankers Association identifying number used for FEDLINE).

(2) Number of account to which funds are to be deposited.

(3) Type of depositor account ("C" for checking, "S" for savings).

(4) If the Contractor is a new enrollee to the ACH system, a "Payment Information Form," SF 3881, must be completed before payment can be processed.

D. In the event the Contractor, during the performance of this contract, elects to designate a different financial institution for the receipt of any payment made using electronic funds transfer procedures, notification of such change and the required information specified above must be received by the

appropriate Government official 30 days prior to the date such change is to become effective.

E. The documents furnishing the information required in paragraphs B and C above must be dated and contain the signature, title, and telephone number of the Contractor official authorized to provide it, as well as the Contractor's name and contract number.

F. Contractor failure to properly designate a financial institution or to provide appropriate payee bank account information may delay payments of amounts otherwise properly due.

G. The Contractor shall forward the information required above to:

U.S. Department of Labor, ETA
Division of Accounting, Room N-4702
200 Constitution Avenue, NW
Washington, DC 20210

**G.3 DOLAR 2952.201-70 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE
(COTR) (MAY 2004)**

(a) Mr. /Ms. TBD is hereby designated to act as the Contracting Officer's Technical Representative (COTR) under the contract.

(b) The COTR is responsible, as applicable, for: receiving all deliverables; inspecting and accepting the supplies or services provided hereunder in accordance with the terms and conditions of this contract; providing direction to the contractor which clarifies the contract effort, fills in details or otherwise serves to accomplish the contractual scope of work; evaluating performance; and certifying all invoices/ vouchers for acceptance of the supplies or services furnished for payment.

(c) The COTR does not have the authority to alter the contractor's obligations under the contract, and/or modify any of the expressed terms, conditions, specifications, or cost of the agreement. If, as a result of technical discussions, it is desirable to alter/change contractual obligations or the scope of work, the contracting officer must issue such changes.

SECTION H - SPECIAL CONTRACT REQUIREMENTS**H.1 BUDGET LINE ITEM FLEXIBILITY**

Flexibility of Direct Costs will be allowed within the Prime Contract Budget, provided no single line item of cost shall be increased or decreased in excess of 20 percent and provided further that the total estimated cost of the Contract is not exceeded. This flexibility of cost does not apply to the wages, salaries and fringe benefits line items (including proposed changes by the Contractor in the mixture, number of hours, wages, and/or bonus or personnel paid under the contract) wherein no increase is permitted without the prior review and approval by the Contracting Officer.

In contracts with OPTION TO EXTEND SERVICES provisions, this clause is applicable to each yearly negotiated budget line item amounts, and not the accumulated budget line item totals.

H.2 FRINGE BENEFITS

Social Security, Workmen's Compensation, Unemployment Compensation and any other fringe benefits are a normal practice of the Contractor at the time of final negotiations for this contract and are available to all employees. Fringe benefits from an immediate previous employer which may be continued while employed under this contract are an allowable cost. In no event will duplicate fringe benefits be allowable to an individual under this contract.

H.3 VACATIONS, SICK-LEAVE HOLIDAYS

The Contractor may grant leave in accordance with its established written policy, provided that policy is accepted by the Contracting Officer or, in the absence of an established policy, leave may be granted as follows:

Vacation: Maximum 2 weeks (10 working days)

Sick Leave: Maximum 2 weeks (10 working days)

Holiday: Maximum of paid holidays

Leave shall be accrued at the rate of 5/6 of 1 day per month for each month employed. If the term of this contract is for more than or less than 1 year, the above leave shall be adjusted accordingly.

H.4 TRAVEL AND PER DIEM

Travel policies as set forth in the Travel Regulations referred to below are required of the Contractor and consultants hereunder. Where the Contractor has a more restrictive travel policy than the Federal Travel Regulations, the more restrictive requirements shall apply.

It is the responsibility of the Contractor to authorize only such per diem allowances as justified by the circumstances affecting the travel. Care should be exercised to prevent fixing per diem rates in excess of those required to meet the necessary authorized subsistence expenses. To this end, consideration should

be given to factors which reduce the expenses of the employee such as: known arrangements at temporary duty locations where lodging and meals may be obtained without cost or at prices advantageous to the traveler; established cost experience in the localities where lodging and meals are required; situations where special rates for accommodations have been made available for a particular meeting or conference; the extent to which the traveler is familiar with establishments providing lodging and meals at a lower cost in certain localities, particularly, where repeated travel is involved; and the use of methods of travel where sleeping accommodations are provided as part of the transportation expenses.

All travel shall be at tourist, coach, or less than first class unless itinerary or unavailability dictate otherwise. All temporary duty and local area automobile travel shall be allowed as prescribed by the applicable Travel Regulations.

Copies of applicable Travel Regulations can be obtained as follows at a fee:

a. Federal Travel Regulations, prescribed by the General Services Administration, for travel in the conterminous 48 United States: Available on a subscription basis from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, Stock No. 022-001-81003-7.

b. Joint Travel Regulations, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, the Commonwealth of Puerto Rico, and territories and possessions of the United States: Available on a subscription basis from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, Stock No. 908-010-00000-1.

c. Standardized Regulations, (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in 1 and 2 above: Available on a subscription basis from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, Stock No. 744-008-00000-0.

H.5 USE OF AND PAYMENT TO CONSULTANTS

(a) Consultant(s) hired to perform under this contract may be compensated at a rate for time actually worked (e.g., amount per day, per week, per month, etc.), or at a fixed price for performance of a specific task, or at nominal compensation in accordance with Contractor's policies. However, for the use and payment to consultant(s) prior written approval must be obtained from the Contracting Officer.

(b) The amount or rate of payment will be determined on a case-by-case basis, taking into account (among any other relevant factors) the relative importance of the duties to be performed, the stature of the individual in his specialized field, comparable pay for positions under the Classification Act or other Federal pay systems, rates paid by private employers and rates previously paid other experts or consultants for similar work.

(c) The contractor shall maintain a written report for the files on the results on all consultations charged to the contract. This report must include,

as a minimum: (1) the consultant's name, dates, hours and amounts charged to the contract; (2) the names of the contractor's staff to whom the services are provided; and (3) the results of the subject matter of the consultation.

H.6 UNEMPLOYMENT INSURANCE COST

Unemployment insurance costs shall be paid by the contractor as they are incurred.

However, in the event billings for Unemployment Insurance costs are received by the contractor after the expiration date of this contract and the billings cover the period that this contract was effective, the Government agrees to reimburse the contractor at the same rate that would have been applicable had the cost been paid as they were incurred.

H.7 ACCOUNTING AND AUDITING SERVICES**(a) Accounting**

The contractor may procure and utilize such accounting services as are required to establish and maintain an accounting system which reflect accurate, current and complete financial transactions and which meet the standards of the Comptroller General of the United States and the Department of Labor.

(b) Auditing

The contractor shall audit or have audited subcontractor financial records as may be required to determine, at a minimum, the fiscal integrity of financial transactions and compliance with laws, regulations and administrative requirements.

The U.S. Department of Labor shall be responsible for scheduling all audits of the prime contractor's books, documents, papers and records. The Department will use its own audit resources or shall use certified or public accountants under contract or auditors from another Federal agency.

Cost of Accounting Services and Audit of subcontractors as described herein are allowable cost under this contract. Costs for audits for which the U.S. Department of Labor is responsible are unallowable.

H.8 PRINTING

(1) The contractor shall not engage in, nor subcontract for, any printing in connection with the performance of work under this contract. The intent of this and other printing limitations is to eliminate duplication of final documents.

(2) The contractor may perform a requirement involving the duplication of less than 5,000 copies of only one page, or less than 25,000 copies of multiple pages in the aggregate, using one color (black). Such pages shall not exceed the maximum image size of 10-3/4 by 14-1/4 inches, or 11 by 17 paper stock. Duplication services below these thresholds are not considered printing. If performance of the contract will require duplication in excess of these limits, the contractor must immediately notify the contracting officer. The contracting officer will provide instructions to the contractor.

(3) The contractor may perform a requirement involving the multi-color duplication of no more than 100 pages in the aggregate using color copier technology. Such pages shall not exceed the maximum image size of 10-3/4 by 14-1/4 inches, or 11 by 17 paper stock. Duplication services below these thresholds are not considered printing. If performance of the contract will require duplication in excess of these limits, the contractor must immediately notify the contracting officer. The contracting officer will provide instructions to the contractor.

(4) The contractor may perform the duplication of no more than a total of 100 diskettes or CD-ROM's. Duplication services below these thresholds are not considered printing. If performance of the contract will require duplication in excess of these thresholds, the contractor must immediately notify the contracting officer. The contracting officer will provide instructions to the contractor.

H.9 KEY PERSONNEL

The personnel specified below or in attachment to this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other programs, 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; provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by this clause. The below list or attachment to this contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

For the purpose of this contract, the key personnel positions are identified below as:

- Project Director
- Project Manager
-
-
-
-

H.10 CONTRACT NUMBER IDENTIFICATION

The Contractor agrees to utilize the number of this contract on all correspondence, communications, reports, vouchers and such other data concerning this contract or delivered hereunder.

H.11 SUBMISSION OF CORRESPONDENCE

All correspondence relating to contractual aspects shall be directed to the Division of Acquisition and Assistance, Attention: Division Chief.

H.12 OTHER CONTRACTORS

The Government may undertake or award other contracts for the same, essentially similar, or related work, and the Contractor shall fully cooperate with such other contractors and Government employees. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by Government employees.

The foregoing paragraph shall be included in the contracts of all Contractors with whom this Contractor will be required to cooperate. The Government shall equitably enforce this clause as to all contractors, to prevent the imposition of unreasonable burdens on any contractor.

H.13 LAWS APPLICABLE

The contractor will perform its duties in accordance with the applicable Act, and the regulations, procedures and standards promulgated thereunder. The Contractor will comply with all applicable Federal and State and Local laws, rules, and regulations which deal with or relate to the employment of persons who perform work or are trained under contract.

This contract in no way relieves the Contractor of responsibility for compliance with the provisions of the Fair Labor Standards Act, as amended.

H.14 DISPOSITION OF MATERIAL

Upon termination or completion of all work under this contract, the Contractor shall prepare for shipment, deliver FOB destination, or dispose of all materials received from the Government and all residual materials produced in connection with the performance of this contract as may be directed by Contracting Officer, or as specified in other provisions of this contract. All materials produced or required to be delivered under this contract become and remain the property of the Government.

H.15 NONDISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITIES

(a) No person shall on the ground of race, religion, color, handicap, national origin, sex, age, political affiliation, or beliefs be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded or otherwise financially assisted, in whole or in part with funds made available hereunder. (b) In addition, this contract and any subcontract hereunder is subjected to Title VI of the Civil Rights Act of 1964 (78 Stat. 252) and the Regulations issued thereunder and found at 29 CFR 31. The Contractor agrees that any service, financial aid, or other benefit to be provided by it under this contract shall be furnished without discrimination because of race, color, sex, or national origin; and that his employment practices shall be subject to the same restrictions to ensure nondiscriminatory treatment of beneficiaries of assistance under the Act.

H.16 FEDERAL REPORTS

In the event that it subsequently becomes a contractual requirement to collect or record information calling for answers to identical questions from 10 or more persons other than Federal employees, or for information from Federal employees

which is to be used for statistical compilations of general public interest, the Paperwork Reduction Act of 1980 and 5 CRF 1320 shall apply to this contract. No plan, questionnaire, interview guide or similar device for collecting formation (whether repetitive or single-time) may be used without first obtaining clearance from the Office of Management and Budget (OMB).

The contractor shall obtain the required OMB clearance through the Project Officer before expending any funds or making public contracts for the collection of data. The authority to expend funds and to proceed with the collection of data shall be issued in writing by the Contracting Officer.

H.17 DISCLOSURE OF CONFIDENTIAL INFORMATION

The Contractor agrees to maintain the confidentiality of any information regarding applicants, project participants or their immediate families which may be obtained through application forms, interviews, test reports from public agencies or counselors, or any other source. Without the permission of the applicant or participant, such information shall be divulged only as necessary for purposes related to the performance or evaluation of the contract and to persons having responsibilities under the contract, including those furnishing services to the projects under subcontracts.

H.18 ELIMINATION OF SEXIST LANGUAGE AND ART WORK

All written materials issued by the Contractor or grantee shall conform to the following guidelines for eliminating sexist language and art work:

(a) Avoid the use of sex reference in job titles. Titles should conform to the Census Bureau's occupational classification system and the most recently published edition of the Dictionary of Occupational Titles.

-- Longshore workers instead of longshoremen.

(b) Avoid the use of male and female gender word forms.

-- Aviator to include men and women pilots, not aviatrix.

(c) Include both sexes by using terms that refer to people as a whole.

-- Human beings or people instead of mankind.

(d) Avoid the use of masculine and feminine pronouns or adjectives in referring to a hypothetical person or people in general. Change sentences such as: The average American worker spends 2 years of his life in the workforce.

-- By rewording to eliminate unnecessary gender pronouns and adjectives. (The average American worker spends 20 years in the workforce.)

-- By recasting into the plural. (Most Americans spend 20 years of their lives in the workforce.)

-- By replacing the masculine or feminine pronoun or adjective with "one", "you", "he or she", "her or him", or "his or her". (An average American spends 20 years of his or her life in the workforce.)

(e) Refer to both men and women in such generic terms as economist, doctor, or lawyer. Identify sex through the use of pronouns.

-- The lawyer made her final summation.

(f) Avoid the use of stereotyped terms or expressions such as "man-sized" job.

-- Employee-years and employee-hours (or staff-hours) instead of man-years and man-hours.

(g) The use of art work in publications should conform to the following guidelines:

(i) Strive to use racially and sexually balanced designs.

(ii) Depict both men and women in art work on general subject matters.

(iii) Show men and women in a variety of roles in photographs, illustrations, and drawings.

-- Show women and men as managers and skilled laborers.

H.19 HAZARDOUS OCCUPATION ORDERS

The Contractor shall comply with the Hazardous Occupation Orders issued pursuant to the Fair Labor Standards Act and set forth at 20 CFR 570.50 et seq. with respect to the employment of youths under 18 years of age and the Child Labor Standards of 29 CFR 570.31 et seq. with respect to the employment of youths aged 14 and 15.

H.20 INSURANCE REQUIREMENTS (FAR-Subpart 28.3)

In accordance with the Federal Acquisition Regulation, 48 CFR, Clause 52.228-7 entitled, "Insurance-Liability to Third Persons" the following kinds and amounts of insurance must be procured and maintained in force during the lifetime of the above numbered contract.

A. Worker's Compensation - In the amounts required by State law or the United States Longshoremen's and Harbor Workers' Compensation Act (33 U.S.C. 901).

B. Occupational Diseases Insurance - As required by applicable law. In any area where all occupational diseases are not compensable under applicable law, insurance for occupational diseases shall be secured under the employer liability section of your insurance policy, minimum per accident \$100,000.

C. Employer Liability - This insurance is to cover any liability imposed upon an employer, by law, for damages on account of personal injuries, including death resulting therefrom, sustained by his employees by reason of accident.

D. General Liability Insurance (Bodily Injury) - This insurance protects the insured against claims arising from bodily injury or death to third parties occurring on its business premises or through its operations except those arising from motor vehicles away from the premises, those covered by any Worker's Compensation law, and other exclusions stated in the policy. The required coverage for bodily injury shall be \$200,000 per person and \$500,000 per occurrence.

E. Automobile Liability - The required coverage is \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage.

F. The policies evidencing such insurance as required under this contract shall contain the following endorsement:

"No cancellation, termination, or modification of this policy shall take effect prior to the expiration of 35 days after written notice of the cancellation, termination or modification together with suitable identification of the policy and name insured has been sent by registered letter to the Government representative at the address stated below:

Name of Contracting Officer: Keith A. Bond

Address: USDOL/ETA/DASET/OGCM/DCS
200 Constitution Ave., N.W.
Room N-4655
Washington, D.C. 20210

The types and minimum limits reflected above for vehicle insurance shall apply to any vehicle operated or used in connection with performance of official business under this contract. In the event a privately-owned vehicle is used, the Government's share of insurance premiums, including any additional coverage required to conform with the above limits, shall be prorated in accordance with the vehicle's actual use while conducting business under the terms of this contract.

H.21 DATA COLLECTION FOR THE DEPARTMENT OF LABOR

The Contractor shall be responsible for informing any grantee that they have been requested to collect information for the Department of Labor. The collection of such data shall be the responsibility of the Contractor solely. The Contractor may request assistance from ETA grantees in locating the data. However, the actual data gathering must be done by the Contractor.

H.22 PERFORMANCE STANDARDS

The composition, workmanship, printing or reproduction and substantive content of all reports, evaluations, charts, tables, graphs, and other data to be furnished under this contract shall strictly conform to the generally accepted quality standards of the Contractor's profession and shall be suitable for dissemination and use without revision, to DOL, other Government agencies and the general public.

Reports shall include a complete disclosure of all data relevant to the work performed, the techniques developed, the investigations made, and shall be relevant to the materials studies and methods and processes employed.

H.23 RESTRICTION ON USE OF DOL FUNDS FOR LOBBYING

In accordance with the cost principles incorporated in the Federal Acquisition Regulations (FAR) at 31.205-22, lobbying costs (direct or indirect) are unallowable under this agreement. The exclusion of lobbying costs using Department of Labor funds is not intended to penalize, discourage, or prevent lobbying activities by utilizing non-Federal funds.

H.24 PUBLICATION OF MATERIALS

The Contractor shall receive permission from the Contracting Officer prior to publishing any works performed under this contract. Further, the Contractor shall acknowledge the support of the Department of Labor whenever publicizing any work performed under this contract. To implement the foregoing, the Contractor shall include in any publication resulting from work performed under this contract, an acknowledgement substantially the same as follows:

"This project has been funded, either wholly or in part, with Federal funds from the Department of Labor, Employment and Training Administration under Contract Number the contents of this publication do not necessarily reflect the views or policies of the Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement of same by the U.S. Government."

H.25 OPTION TO EXTEND THE TERMS OF THE CONTRACT - SERVICE (FAR 17.208(G))

1. The Government may extend the terms of this contract by written notice to the Contractor at least 60 calendar days before the contract expires. This notice does not commit the Government to an extension.
2. If the Government exercises this option, the extended contract shall be considered to include this option provision.
3. The initial period of this contract may be extended by one year, at estimated costs and indirect costs as follows:

| Option Year | Estimated Cost | Indirect Cost | Total Estimated Cost |
|-------------|----------------|---------------|----------------------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |

The total duration of this contract, including the exercise of any options under this clause, shall not exceed 5 years.

4. Estimated costs, including any indirect costs, for the option years shall be determined at the time of contract execution. Any anticipated deviations from total preestimated option year costs must be presented to the Contracting

Officer in writing, with an explanation and justification of the anticipated deviation(s), 10 calendar days after receipt of notice by the contractor of the Government's intention to exercise the option to extend the term of the contract. No deviations from the total pre-established option years estimated costs shall be permitted without the written consent of the Contracting Officer. Deviations which would increase the total pre-established option year estimated costs by more than 10 percent shall not be permitted under any circumstances.

H.26 INDIRECT COSTS

This clause is applicable to all awardees receiving funds from multiple sources. Organizations receiving funds from only one source does not need an indirect cost rate (ICR) approved.

You are governed by one of the categories of cost principles listed below. Please comply with your cost principles as appropriate to your organization:

- (1) Private-for-Profit organizations - Federal Acquisition Regulation (FAR) Subparts 31 and 42.
- (2) State and local governments and Indian Tribal governments - OMB Circular A-87.
- (3) Educational Institutions - OMB Circulars A-21 and FAR 42.705-3.
- (4) Nonprofit organizations - OMB Circular A-122.

In order to avoid major audit problems, disallowed costs, and to receive timely reimbursement of indirect costs, contractors should take those necessary steps to comply with this clause as well as the critical timeframes for submission of indirect cost proposals.

Note that the contractor must obtain approval from the Contracting Officer to transfer funds from other budget line items to the indirect cost budget line items to accommodate higher approved indirect cost rates.

Support for Indirect Cost Claims

As part of the business proposal (see Section L for details), you will need to identify whether or not you have a current Federally approved indirect cost rate to support your indirect cost claims. A copy of the rate agreement will be requested to verify the Federal cognizant (Federal agency providing the preponderance of direct federal funds to the organization) agency and the rate information (rate approved, type of indirect cost rate(s) approved, and allocation base).

You will also need to provide historical and budgetary rate information to support the rates proposed if the offeror does not have a federally approved indirect cost rate. More information is available in Section L.

Temporary Billing Rate (TBR) - For those offerors that do not have a Federally approved indirect cost rate, the Contracting Officer may negotiate a (TBR) to allow initial indirect cost claims for the first 90 days of award.

During these 90 days, the offeror must submit an acceptable indirect cost proposal to your Federal cognizant agency to obtain a provisional indirect rate. **Failure on your part to submit an indirect cost proposal within this 90 day period means that you shall not receive further reimbursement for your billing rate. Also, action may be taken to recoup all indirect costs already paid to you.**

Ceiling Indirect Rates or Ceiling Amounts - The Contracting Officer may impose the offeror administrative cost limitations (ceilings) regarding the contract based on the documentation received. Please note that these "ceilings" does not exclude your organization from the responsibility of submitting an indirect cost rate proposal(s) for approval.

It is important to point out that all organizations are to submit a final indirect cost proposal to its cognizant agency within 180 days after the end of its fiscal year.

If **DOL** is your Federal cognizant agency, proposals shall be sent to:

Chief, Division of Cost Determination (DCD)
U.S. Department of Labor, OASAM
200 Constitution Avenue, N.W., Room S-1510
Washington, D.C. 20210
Tel. (202) 693-4100

<http://www.dol.gov/oasam/programs/boc/costdeterminationguide/main.htm>

H.27 FAR 52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR

Funds are not presently available for performance under this contract beyond TBD. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond TBD, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

| 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 OF FUNDS FOR ILLEGAL 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 2007 |
| 52.204-4 | PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER | AUG 2000 |
| 52.204-9 | PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL | SEP 2007 |
| 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 |
| 52.215-10 | PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA | OCT 1997 |
| 52.215-11 | PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA- MODIFICATIONS REQUIREMENTS OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA | OCT 1997 |
| 52.215-21 | MODIFICATIONS/ALTERNATE IV | OCT 1997 |
| 52.216-8 | FIXED-FEE | MAR 1997 |
| 52.219-1 | SMALL BUSINESS PROGRAM REPRESENTATIONS | MAY 2004 |
| 52.219-6 | NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE | JUN 2003 |
| 52.219-8 | UTILIZATION OF SMALL BUSINESS CONCERNS | MAY 2004 |
| 52.222-3 | CONVICT LABOR | JUN 2003 |

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| 52.222-21 | PROHIBITION OF SEGREGATED FACILITIES | FEB 1999 |
| 52.222-26 | EQUAL OPPORTUNITY | MAR 2007 |
| 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 |
| 52.222-50 | COMBATING TRAFFICKING IN PERSONS | AUG 2007 |
| 52.223-5 | POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION | AUG 2003 |
| 52.223-6 | DRUG-FREE WORKPLACE | MAY 2001 |
| 52.224-1 | PRIVACY ACT NOTIFICATION | APR 1984 |
| 52.224-2 | PRIVACY ACT | APR 1984 |
| 52.225-1 | BUY AMERICAN ACT-SUPPLIES | JUN 2003 |
| 52.225-13 | RESTRICTIONS ON CERTAIN FOREIGN PURCHASES | FEB 2006 |
| 52.225-14 | INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT | FEB 2000 |
| 52.227-1 | AUTHORIZATION AND CONSENT | JUL 1995 |
| 52.227-2 | NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT | AUG 1996 |
| 52.227-14 | RIGHTS IN DATA-GENERAL | JUN 1987 |
| 52.228-7 | INSURANCE--LIABILITY TO THIRD PERSONS | MAR 1996 |
| 52.232-17 | INTEREST | JUN 1996 |
| 52.232-18 | AVAILABILITY OF FUNDS | APR 1984 |
| 52.232-22 | LIMITATION OF FUNDS | APR 1984 |
| 52.232-23 | ASSIGNMENT OF CLAIMS | JAN 1986 |
| 52.232-33 | PAYMENT BY ELECTRONIC FUNDS--CENTRAL CONTRACTOR REGISTRATION | OCT 2003 |
| 52.233-3 | PROTEST AFTER AWARD ALTERNATE I (JUN 1985) | 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 |
| 52.242-1 | NOTICE OF INTENT TO DISALLOW COSTS | APR 1984 |
| 52.242-3 | PENALTIES FOR UNALLOWABLE COSTS | MAY 2001 |
| 52.242-4 | CERTIFICATION OF FINAL INDIRECT COSTS | JAN 1997 |
| 52.242-13 | BANKRUPTCY | JUL 1995 |
| 52.243-2 | CHANGES--COST REIMBURSEMENT ALTERNATE I (APR 1984) | AUG 1987 |
| 52.244-2A | SUBCONTRACTS ALTERNATE I (JUNE 2007) | JUN 2007 |
| 52.244-5 | COMPETITION IN SUBCONTRACTING | DEC 1996 |
| 52.244-6 | SUBCONTRACTS FOR COMMERCIAL ITEMS | MAR 2007 |
| 52.245-1 | GOVERNMENT PROPERTY | JUN 2007 |
| 52.245-9 | USE AND CHARGES | JUN 2007 |
| 52.246-25 | LIMITATION OF LIABILITY--SERVICES | FEB 1997 |
| 52.248-1 | VALUE ENGINEERING | FEB 2000 |
| 52.249-6 | TERMINATION (COST-REIMBURSEMENT) (MAY 2004) | MAY 2004 |

I.2 52.216-7 ALLOWABLE COST AND PAYMENT (DEC 2002)

(a) Invoicing.

(1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) Subpart 31.2 in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.

(3) The designated payment office will make interim payments for contract financing on the day after the designated billing office receives a proper payment request.

In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

(b) Reimbursing costs.

(1) For the purpose of reimbursing allowable costs (except as provided in paragraph (b)(2) of the clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only-

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made-

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless-

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(d) Final indirect cost rates.

(1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(6)(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may--

(A) Determine the amounts due to the Contractor under the contract; and

(B) Record this determination in a unilateral modification to the contract.

(ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found by the Contracting Officer not to

constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(h) Final payment. (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(5) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

I.3 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

- (a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (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 options under this clause, shall not exceed five (5) years.

I.4 52.219-14 LIMITATIONS ON SUBCONTRACTORS (DEC 1996)

- (a) This clause does not apply to the unrestricted portion of a partial set-aside.
- (b) By submission of an offer and execution of a contract, the Offeror/Contractor agrees that in performance of the contract in the case of a contract for-
 - (1) Services (except construction). At least 50 percent of the cost of contract performance incurred for personnel shall be expended for employees of the concern.
 - (2) Supplies (other than procurement from a nonmanufacturer of such supplies). The concern shall perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.
 - (3) General construction. The concern will perform at least 15 percent of the cost of the contract, not including the cost of materials, with its own employees.
 - (4) Construction by special trade contractors. The concern will perform at least 25 percent of the cost of the contract, not including the cost of materials, with its own employees.

I.5 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JUNE 2007)

- (a) Definitions. As used in this clause-

Long-term contract means a contract of more than five years in duration, including options. However, the term does not include contracts that exceed five years in duration because the period of performance has been extended for a cumulative period not to exceed six months under the clause at 52.217-8, Option to Extend Services, or other appropriate authority.

Small business concern means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (c) of this clause.

- (b) If the Contractor represented that it was a small business concern prior to award of this contract, the Contractor shall rerepresent its size status according to paragraph (e) of this clause or, if applicable, paragraph (g) of this clause, upon the occurrence of any of the following:

- (1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include this clause, if the novation agreement was executed prior to inclusion of this clause in the contract.

(2) Within 30 days after a merger or acquisition that does not require a novation or within 30 days after modification of the contract to include this clause, if the merger or acquisition occurred prior to inclusion of this clause in the contract.

(3) For long-term contracts-

(i) Within 60 to 120 days prior to the end of the fifth year of the contract; and

(ii) Within 60 to 120 days prior to the exercise date specified in the contract for any option thereafter.

(c) The Contractor shall rerepresent its size status in accordance with the size standard in effect at the time of this rerepresentation that corresponds to the North American Industry Classification System (NAICS) code assigned to this contract. The small business size standard corresponding to this NAICS code can be found at <http://www.sba.gov/services/contractingopportunities/sizestandardstopics/>.

(d) The small business size standard for a Contractor providing a product which it does not manufacture itself, for a contract other than a construction or service contract, is 500 employees.

(e) Except as provided in paragraph (g) of this clause, the Contractor shall make the rerepresentation required by paragraph (b) of this clause by validating or updating all its representations in the Online Representations and Certifications Application and its data in the Central Contractor Registration, as necessary, to ensure they reflect current status. The Contractor shall notify the contracting office by e-mail, or otherwise in writing, that the data have been validated or updated, and provide the date of the validation or update.

(f) If the Contractor represented that it was other than a small business concern prior to award of this contract, the Contractor may, but is not required to, take the actions required by paragraphs (e) or (g) of this clause.

(g) If the Contractor does not have representations and certifications in ORCA, or does not have a representation in ORCA for the NAICS code applicable to this contract, the Contractor is required to complete the following rerepresentation and submit it to the contracting office, along with the contract number and the date on which the rerepresentation was completed:

The Contractor represents that it [] is, [] is not a small business concern under NAICS Code assigned to contract number .

[Contractor to sign and date and insert authorized signer's name and title].

I.6 52.222-41 SERVICE CONTRACT ACT OF 1965 (NOV 2007)

(a) Definitions. As used in this clause--

"Act" means the Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

"Contractor" when this clause is used in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Government Prime Contractor."

"Service employee," means any person engaged in the performance of this contract other than any person employed in a bona fide executive, administrative, or professional capacity, as these terms are defined in Part 541 of Title 29, Code of Federal Regulations, as revised. It includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons.

(b) Applicability. This contract is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor (29 CFR Part 4). This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in Subpart C of 29 CFR Part 4.

(c) Compensation.

(1) Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor, or authorized representative, as specified in any wage determination attached to this contract.

(2)(i) If a wage determination is attached to this contract, the Contractor shall classify any class of service employee which is not listed therein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination) so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this paragraph (c).

(ii) This conforming procedure shall be initiated by the Contractor prior to the performance of contract work by the unlisted class of employee. The Contractor shall submit Standard Form (SF) 1444, Request for Authorization of Additional Classification and Rate, to the Contracting Officer no later than 30 days after the unlisted class of employee performs any contract work. The Contracting Officer shall review the proposed classification and rate and promptly submit the completed SF 1444 (which must include information regarding the agreement or disagreement of the employees' authorized representatives or the employees themselves together with the agency recommendation), and all pertinent information to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor. The Wage and Hour Division will approve, modify, or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the Contracting Officer within 30 days of receipt that additional time is necessary.

(iii) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the Contracting Officer who shall promptly notify the Contractor of the action taken. Each affected employee shall be

furnished by the Contractor with a written copy of such determination or it shall be posted as a part of the wage determination.

(iv)(A) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.

(B) In the case of a contract modification, an exercise of an option, or extension of an existing contract, or in any other case where a Contractor succeeds a contract under which the classification in question was previously conformed pursuant to paragraph (c) of this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing (i.e., adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the Contractor shall advise the Contracting Officer of the action taken but the other procedures in subdivision (c)(2)(ii) of this clause need not be followed.

(C) No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section (6)(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(v) The wage rate and fringe benefits finally determined under this subparagraph (c)(2) of this clause shall be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay the unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract.

(vi) Upon discovery of failure to comply with subparagraph (c)(2) of this clause, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class or classes of employees commenced contract work.

(3) Adjustment of Compensation. If the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees under this contract shall be subject to adjustment after 1 year and not less often than once every 2 years, under wage determinations issued by the Wage and Hour Division.

(d) **Obligation to Furnish Fringe Benefits.** The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined under subparagraph (c)(2) of this clause by furnishing equivalent combinations of bona fide fringe benefits, or by making equivalent or differential cash payments, only in accordance with Subpart D of 29 CFR Part 4.

(e) **Minimum Wage.** In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any person performing work under this contract (regardless of whether the person is a service employee) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this clause shall relieve the Contractor or any subcontractor of any other obligation under law or contract for payment of a higher wage to any employee.

(f) **Successor Contracts.** If this contract succeeds a contract subject to the Act under which substantially the same services were furnished in the same locality and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wage rates and fringe benefits, neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreement, to which such employee would have been entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of 29 CFR 4.1b(b) apply or unless the Secretary of Labor or the Secretary's authorized representative finds, after a hearing as provided in 29 CFR 4.10 that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in 29 CFR 4.11, that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR 4.10 and/or 4.11 and Parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor Contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Administrative Review Board, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as of the date of the final administrative decision.

(g) Notification to Employees. The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) shall be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract.

(h) Safe and Sanitary Working Conditions. The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary, hazardous, or dangerous to the health or safety of the service employees. The Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(i) Records.

(1) The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work, and make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration, a record of the following:

(i) For each employee subject to the Act -

(A) Name and address and social security number;

(B) Correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of payments in lieu of fringe benefits, and total daily and weekly compensation;

(C) Daily and weekly hours worked by each employee; and

(D) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.

(ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested parties or by the Administrator or authorized representative under the terms of paragraph (c) of this clause. A copy of the report required by subdivision (c)(2)(ii) of this clause will fulfill this requirement.

(iii) Any list of the predecessor Contractor's employees which had been furnished to the Contractor as prescribed by paragraph (n) of this clause.

(2) The Contractor shall also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available these records for inspection and transcription shall be a violation of the regulations and this contract, and in the case of failure to produce these records, the Contracting

Officer, upon direction of the Department of Labor and notification to the Contractor, shall take action to cause suspension of any further payment or advance of funds until the violation ceases.

(4) The Contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.

(j) Pay Periods. The Contractor shall unconditionally pay to each employee subject to the Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or Regulations, 29 CFR Part 4), rebate, or kickback on any account. These payments shall be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under this Act may not be of any duration longer than semi-monthly.

(k) Withholding of Payments and Termination of Contract. The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the Prime Contractor such sums as an appropriate official of the Department of Labor requests or such sums as the Contracting Officer decides may be necessary to pay underpaid employees employed by the Contractor or subcontractor. In the event of failure to pay any employees subject to the Act all or part of the wages or fringe benefits due under the Act, the Contracting Officer may, after authorization or by direction of the Department of Labor and written notification to the Contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(l) Subcontracts. The Contractor agrees to insert this clause in all subcontracts subject to the Act.

(m) Collective Bargaining Agreements Applicable to Service Employees. If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance such agreements shall be reported promptly after negotiation thereof.

(n) Seniority List. Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacation or other benefit provisions based upon

length of service with a Contractor (predecessor) or successor (29 CFR 4.173), the incumbent Prime Contractor shall furnish the Contracting Officer a certified list of the names of all service employees on the Contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment on the contract either with the current or predecessor Contractors of each such service employee. The Contracting Officer shall turn over such list to the successor Contractor at the commencement of the succeeding contract.

(o) Rulings and Interpretations. Rulings and interpretations of the Act are contained in Regulations, 29 CFR Part 4.

(p) Contractor's Certification.

(1) By entering into this contract, the Contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has a substantial interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed under section 5 of the Act.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract under section 5 of the Act.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(q) Variations, Tolerances, and Exemptions Involving Employment. Notwithstanding any of the provisions in paragraphs (b) through (o) of this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by Pub. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business.

(1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Act without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of the Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the Act for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525).

(3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in 29 CFR Parts 525 and 528.

(r) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State Apprenticeship Agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Office of Apprenticeship Training, Employer, and Labor Services (OATELS), U.S. Department of Labor. Any employee who is not registered as an apprentice in an approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classification of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The allowable ratio of apprentices to journeymen employed on the contract work in any craft classification shall not be greater than the ratio permitted to the Contractor as to his entire work force under the registered program.

(s) Tips. An employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips may have the amount of these tips credited by the employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act, in accordance with section 3(m) of the Fair Labor Standards Act and Regulations 29 CFR Part 531. However, the amount of credit shall not exceed \$1.34 per hour beginning January 1, 1981. To use this provision -

(1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;

(2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);

(3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Act minimum wage through the combination of direct wages and tip credit; and

(4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of section 4(c) of the Act.

(t) Disputes Concerning Labor Standards. The U.S. Department of Labor has set forth in 29 CFR Parts 4, 6, and 8 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and not the Disputes clause of this contract. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

I.7 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-Fringe Benefits

<http://www.wdol.gov/sca.aspx>

I.8 52.232-25 PROMPT PAYMENT (FEB 2002) Alternate I (FEB 2002)

Notwithstanding any other payment clause in this contract, the Government will make invoice payments under the terms and conditions specified in this clause. The Government considers payment as being made on the day a check is dated or the date of an electronic funds transfer (EFT). Definitions of pertinent terms are set forth in sections 2.101, 32.001, and 32.902 of the Federal Acquisition Regulation. All days referred to in this clause are calendar days, unless otherwise specified. (However, see paragraph (a)(4) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

(a) Invoice payments--

(1) Due date.

(i) Except as indicated in paragraphs (a)(2) and (c) of this clause, the due date for making invoice payments by the designated payment office is the later of the following two events:

(A) The 30th day after the designated billing office receives a proper invoice from the Contractor (except as provided in paragraph (a)(1)(ii) of this clause).

(B) The 30th day after Government acceptance of supplies delivered or services performed. For a final invoice, when the payment amount is subject to contract settlement actions, acceptance is deemed to occur on the effective date of the contract settlement.

(ii) If the designated billing office fails to annotate the invoice with the actual date of receipt at the time of receipt, the invoice payment due date is the 30th day after the date of the Contractor's invoice, provided the

designated billing office receives a proper invoice and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(2) Certain food products and other payments.

(i) Due dates on Contractor invoices for meat, meat food products, or fish; perishable agricultural commodities; and dairy products, edible fats or oils, and food products prepared from edible fats or oils are--

(A) For meat or meat food products, as defined in section 2(a)(3) of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)), and as further defined in Pub. L. 98-181, including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, as close as possible to, but not later than, the 7th day after product delivery.

(B) For fresh or frozen fish, as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), as close as possible to, but not later than, the 7th day after product delivery.

(C) For perishable agricultural commodities, as defined in section 1(4) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(4)), as close as possible to, but not later than, the 10th day after product delivery, unless another date is specified in the contract.

(D) For dairy products, as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), edible fats or oils, and food products prepared from edible fats or oils, as close as possible to, but not later than, the 10th day after the date on which a proper invoice has been received. Liquid milk, cheese, certain processed cheese products, butter, yogurt, ice cream, mayonnaise, salad dressings, and other similar products, fall within this classification. Nothing in the Act limits this classification to refrigerated products. When questions arise regarding the proper classification of a specific product, prevailing industry practices will be followed in specifying a contract payment due date. The burden of proof that a classification of a specific product is, in fact, prevailing industry practice is upon the Contractor making the representation.

(ii) If the contract does not require submission of an invoice for payment (e.g., periodic lease payments), the due date will be as specified in the contract.

(3) Contractor's invoice. The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. A proper invoice must include the items listed in paragraphs (a)(3)(i) through (a)(3)(x) of this clause. If the invoice does not comply with these requirements, the designated billing office will return it within 7 days after receipt (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils), with the reasons why it is not a proper invoice. The Government will take into account untimely notification when computing any interest penalty owed the Contractor.

(i) Name and address of the Contractor.

(ii) Invoice date and invoice number. (The Contractor should date invoices as close as possible to the date of the mailing or transmission.)

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, discount for prompt payment terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective invoice.

(viii) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.

(ix) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision (e.g., 52.232-38, Submission of Electronic Funds Transfer Information with Offer), contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer--Central Contractor Registration, or 52.232-34, Payment by Electronic Funds Transfer--Other Than Central Contractor Registration), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(x) Any other information or documentation required by the contract (e.g., evidence of shipment).

(4) Interest penalty. The designated payment office will pay an interest penalty automatically, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(4)(i) through (a)(4)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday, the designated payment office may make payment on the following working day without incurring a late payment interest penalty.

(i) The designated billing office received a proper invoice.

(ii) The Government processed a receiving report or other Government documentation authorizing payment, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(5) Computing penalty amount. The Government will compute the interest penalty in accordance with the Office of Management and Budget prompt payment regulations at 5 CFR part 1315.

(i) For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance is deemed to occur constructively on the 7th day (unless otherwise specified in this contract) after the Contractor delivers the supplies or performs the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. If actual acceptance occurs within the constructive acceptance period, the Government will base the determination of an interest penalty on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The prompt payment regulations at 5 CFR 1315.10(c) do not require the Government to pay interest penalties if payment delays are due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance, or on amounts temporarily withheld or retained in accordance with the terms of the contract. The Government and the Contractor shall resolve claims involving disputes and any interest that may be payable in accordance with the clause at FAR 52.233-1, Disputes.

(6) Discounts for prompt payment. The designated payment office will pay an interest penalty automatically, without request from the Contractor, if the Government takes a discount for prompt payment improperly. The Government will calculate the interest penalty in accordance with the prompt payment regulations at 5 CFR part 1315.

(7) Additional interest penalty.

(i) The designated payment office will pay a penalty amount, calculated in accordance with the prompt payment regulations at 5 CFR part 1315 in addition to the interest penalty amount only if--

(A) The Government owes an interest penalty of \$1 or more;

(B) The designated payment office does not pay the interest penalty within 10 days after the date the invoice amount is paid; and

(C) The Contractor makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(7)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

(ii)(A) The Contractor shall support written demands for additional penalty payments with the following data. The Government will not request any additional data. The Contractor shall--

(1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required;

(2) Attach a copy of the invoice on which the unpaid late payment interest is due; and

(3) State that payment of the principal has been received, including the date of receipt.

(B) If there is no postmark or the postmark is illegible--

(1) The designated payment office that receives the demand will annotate it with the date of receipt, provided the demand is received on or before the 40th day after payment was made; or

(2) If the designated payment office fails to make the required annotation, the Government will determine the demand's validity based on the date the Contractor has placed on the demand, provided such date is no later than the 40th day after payment was made.

(iii) The additional penalty does not apply to payments regulated by other Government regulations (e.g., payments under utility contracts subject to tariffs and regulation).

(b) Contract financing payment. If this contract provides for contract financing, the Government will make contract financing payments in accordance with the applicable contract financing clause.

(c) Fast payment procedure due dates. If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

(d) Overpayments. If the Contractor becomes aware of a duplicate payment or that the Government has otherwise overpaid on an invoice payment, the Contractor shall immediately notify the Contracting Officer and request instructions for disposition of the overpayment.

(e) Invoices for interim payments. For interim payments under this cost-reimbursement contract for services--

(1) Paragraphs (a)(2), (a)(3), (a)(4)(ii), (a)(4)(iii), and (a)(5)(i) do not apply;

(2) For purposes of computing late payment interest penalties that may apply, the due date for payment is the 30th day after the designated billing office receives a proper invoice; and

(3) The contractor shall submit invoices for interim payments in accordance with paragraph (a) of FAR 52.216-7, Allowable Cost and Payment. If the invoice

does not comply with contract requirements, it will be returned within 7 days after the date the designated billing office received the invoice.

I.9 52.249-14 EXCUSABLE DELAYS (APR 1984)

(a) Except for defaults of subcontractors at any tier, the Contractor shall not be in default because of any failure to perform this contract under its terms if the failure arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of these causes are (1) acts of God or of the public enemy, (2) acts of the Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. "Default" includes failure to make progress in the work so as to endanger performance.

(b) If the failure to perform is caused by the failure of a subcontractor at any tier to perform or make progress, and if the cause of the failure was beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be deemed to be in default, unless--

(1) The subcontracted supplies or services were obtainable from other sources;

(2) The Contracting Officer ordered the Contractor in writing to purchase these supplies or services from the other source; and

(3) The Contractor failed to comply reasonably with this order.

(c) Upon request of the Contractor, the Contracting Officer shall ascertain the facts and extent of the failure. If the Contracting Officer determines that any failure to perform results from one or more of the causes above, the delivery schedule shall be revised, subject to the rights of the Government under the termination clause of this contract.

I.10 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):

<http://www.arnet.gov/far>

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

| ATTACHMENT NUMBER | TITLE | NO. PAGES |
|----------------------|---|--------------|
| J.1 | CONTRACT PRICING PROPOSAL COVER SHEET, SF 1411, | (1 PAGE) |
| J.2 | COST AND PRICE ANALYSIS, ETA 8555, | (8 PAGES) |
| J.3 | STATEMENT OF FINANCIAL CAPABILITY, ETA 8554, | (2 PAGES) |
| J.4 | COST CONTRACTOR'S INVOICE, ETA 3100-1, | (1 PAGE) |
| J.5 | COST CONTRACTOR'S DETAILED STATEMENT OF COST, ETA 3-2 | (1 PAGE) |
| J.6 | VETS-100 - FEDERAL CONTRACTOR VETERANS EMPLOYMENT REPORT, OMB 1293-0005 | (2 PAGES) |
| J.7 | PAST PERFORMANCE REFERENCE INFORMATION | (2 PAGES) |
| J.8 | PAST PERFORMANCE EVALUATION QUESTIONNAIRE | (2 PAGES) |
| J.9 | EXAMPLE OF A MODIFIED RESUME | (1 PAGES) |

Please note: Attachments J.1 through J.8 can be found at <http://www.doleta.gov/sga/rfpforms.cfm>.

PART IV - REPRESENTATIONS AND INSTRUCTIONS

SECTION K - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

K.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an internet address (if specified) for electronic access to the full text of a provision.

| NUMBER | TITLE | DATE |
|-----------|---|----------|
| 52.203-11 | CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS | SEP 2005 |
| 52.222-38 | COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS | DEC 2001 |

K.2 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS (JAN 2006)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is 541611.

(2) The small business size standard is \$6.5 million.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service 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.

K.3 SIGNATURE BLOCK

I, the undersigned, do hereby attest that all representations and certifications made in this Section K are true.

Also, I, the undersigned, am aware of the penalties prescribed in 18 U.S. Code 1001 for making false statements in offers; and I am legally authorized to bind the company or organization represented.

(Signature)

(Date)

(Typed or Printed Name)

(Title)

(Solicitation Number)

(Name of Company/Organization Represented)

(DUNS Number)

(Address, including Zip Code)

(Telephone Number, including Area Code)

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**L.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an internet address (if specified) for electronic access to the full text of a provision.

| NUMBER | TITLE | DATE |
|-----------|--|----------|
| 52.215-1 | INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION | JAN 2004 |
| 52.222-24 | PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION | FEB 1999 |

L.2 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a (Cost Reimbursement Plus Fixed Fee) contract resulting from this solicitation.

L.3 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 General Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

KEITH A. BOND
Contracting Officer

Hand-Carried Address:

U.S. Department of Labor, ETA/OGCM
Division of Contract Services
200 Constitution Avenue, NW
Room N-4655
Washington DC 20210

Mailing Address:

U.S. Department of Labor, ETA/OGCM
Division of Contract Services
200 Constitution Avenue, NW
Room N-4655
Washington DC 20210

(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 SUBMISSION OF PROPOSAL

(A) - General Instructions:

Each offeror must submit an offer (proposal) in strict accordance with these instructions. When evaluating an offeror, the Government will consider how well the offeror complied with the letter and spirit of these instructions. The Government will consider any failure on the part of an offeror to comply with both the letter and spirit of these instructions to be an indication of the type of conduct it can expect during contract performance. Therefore, the Government encourages offerors to contact the Contracting Officer by electronic submission only, in order to request an explanation of any part of these instructions. Your proposal must be submitted in four (4) separate and distinct parts as outlined below, consisting of the number of stated copies and accompanied by the required supportive materials to insure that the proposal will be considered responsive to the Request for Proposals.

Part 1 - (1) Original and two (2) signed copies of completed Standard Form 33, Solicitation, Offer and Award,

(2) Original and two (2) signed copies of Section K, the Representations, Certifications and other Statements of Offerors, DOL does not accept illegible copies. (All copies must be ink-signed.)

Part 2 - (1) Original and three (3) copies of the technical approach (See Section M.3 (A, C, and D)). (PLEASE NOTE: Text type shall be at least 12 point font size or larger.)

(2) Original and three (3) copies of a resume for each key personnel involved in the project. (See Section M.3 (D)) At a minimum, the resume shall include:

- a. The title and position to which the individual would be assigned for the project;
- b. The individual's current employment status and a list or description of the activities or projects on which the individual is currently working;
- c. The individuals previous work experience, to include position title, dates in position, employing organization, duties performed, and role performed, e.g., management, task leader, lead investigator, chief analyst, etc., and how these are relevant to the tasks and duties in this project;
- d. The titles of the individuals previous or in process written products or reports, with their date of completion or publication and other authors noted; and the relevance of these works to the tasks and duties in this project; and

- e. The individual's educational background and a brief description of its relevance to the individual's role in the project. The overall staffing plan is reasonable and likely to support the technical approach.

(3) Original and three (3) copies of letters of intent for each key personnel, including employees and contingency hires (defined as persons not currently employed but who have executed a binding letter for commitment for employment with the offeror, if the offeror receives award under this solicitation). Letters of intent must be dated and include signatures from the individual and the offeror/contractor. The letter must state that the individual will be available for the number of hours stated in the proposal and that the individual will be available for at least 6 months. The letter must also disclose the position the person will have on the contract.

(4) Original and three copies of relevant past performance information (See Sections L.6 and M.3(B)); and

Part 3 - A detailed Business Management Proposal for the prime contractor and each subcontractor as further outlined in the below instructions and consisting of:

(1) Three (3) copies of Attachment J.2 - Cost and Price Analysis, ETA 8555 (Mar. 1981);

(2) One (1) copy of Attachment J.3 - Statement of Financial Capability, ETA 8554 (Mar. 1981) (c).

(3) One (1) Accounting System Certification which is a statement certifying that the offeror has an established accounting system with internal controls adequate to safeguard their assets, insure that funds are accounted for by cost categories, check the accuracy and reliability of the accounting data, promote operating efficiency and permit compliance with Government requirements and accounting procedures with respect to Cost Reimbursement types of contracts. The statement must be executed by a certified public accountant (CPA), licensed public accountant, a bona-fide accounting or audit organization such as Defense Contract Audit Agency (DCAA) or an entity of equivalent status acceptable to the Government.

(4) Contractor's current approved Indirect Cost Rate Agreement or a description (including dollar amounts) of the base for all proposed indirect rates. The Cost and Price Analysis (ETA 8555) and Financial Capability Forms (Attachment J.3) support information shall be augmented as follows:

1. Most current published annual balance sheet and profit or loss statement.
2. List the names and addresses of any subcontractor* the offeror intends to use in the performance of a resulting contract. Include the following information about the subcontract(s). (a) How subcontractor was selected? (b) Has the subcontractor submitted a cost proposal? (c) Will he be able to start performance at the start of the contract period? (d) What is the total cost of (each) subcontract? (e) What services (skills) will the subcontract provide? (f) What experience do they have in this technical area? *Also provide the above information for consultants you intend to use in the

performance of a resulting contract. Consultants: Persons who are members of a particular profession or possess a special skill and who are not officers or employees of the contractor.

Part 4 - In addition to hard copies of cost and technical proposals, vendors are also required to submit one copy of their proposal on CD in .pdf file format.

NOTE: Part 1, 2, 3 and 4 should be sealed in separate envelopes and included in one master package. The RFP number and related Part numbers outlined above, if applicable, should show in the upper left hand corner of each of the envelopes as well as the master package.

(B) - Cost and Price Analysis. The Contracting Officer may forward the cost and price analysis review of the business proposal to the DOL's Division of Cost Determination (DCD). The cost analysis performed by DCD will be based on FAR 15.404-1(c)(1). DCD requires the following specific information to be provided in addition to the ETA form 8555 - Cost and Price Analysis:

1. **Salaries** - Provide support for all of the proposed salaries, i.e. payroll records (current employees), letters of intent or salary surveys (new employees). Also provide proposed escalation of salary increases for option years, if applicable.
2. **Fringe Benefits** - If a fringe rate has been approved by a Federal cognizant agency, please note it. If not, please see related information below for indirect rates to support these costs.
3. **Staff Travel and Per Diem** - In addition to the information requested in the ETA form 8555, please provide the following detailed information using the sample table below:

| | <u>Traveler's Name/ Position</u> | <u>From</u> | <u>To</u> | <u>Travel Days</u> | <u>Airline Fees</u> | <u>Lodging</u> | <u>Meals</u> | <u>Car Rental</u> | <u>Other</u> | <u>Total</u> |
|---|--------------------------------------|-------------|-----------|------------------------|-------------------------|----------------|--------------|-----------------------|--------------|--------------|
| 1 | | | | | | | | | | \$0 |
| 2 | | | | | | | | | | \$0 |
| 3 | | | | | | | | | | \$0 |
| | | | | Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

4. **Consultant Fee** - Provide specific hourly/daily rate for proposed consultants with their letter of intent.
5. **Consultant Travel** - See #3 above.
6. **Rent** - Specify if the costs are directly or indirectly charged. If directly charged, provide comments on the rent costs, i.e., lease agreement (already signed) or informal documentation attesting to the offeror's efforts to find reasonable lease costs, i.e. multiple bids, or area surveys. If a lease has been already signed, please provide a copy for support.

7. **Insurance & Bonding** - Specify if the costs are directly or indirectly charged. If directly charged, provide support for the insurance costs and bonding costs, i.e., quotes from different insurance companies.
8. **Materials & Supplies** - Follow the Form 8555 (Page 5) in detail.
9. **Communications** - Follow the Form 8555 (Page 6) in detail, **also** providing quantity/units.
10. **Property** - Follow the Form 8555 (Page 6) in detail.
11. **Supportive Services** - Follow the Form 8555 (Page 7) in detail.
12. **Subcontractor Costs** - Follow the Form 8555 (Page 7) in detail. Also, provide a separate submission of the Form 8555 for each subcontractor noting all items of costs in this list.
13. **Indirect Costs (Overhead, G&A, other rates)** - If your entity has a currently federally approved indirect cost rate agreement, provide a copy.

If no rates have been approved by a Federal cognizant agency, the offeror should provide support for review and analysis to determine if the rates proposed are allowable, allocable, and reasonable. Specifically, the offeror should submit **two** "Statements of Total Costs" for:

- a. the latest fiscal period of the entity based on actual costs.
- b. the projected fiscal period of the entity based on budgeted costs; including any applicable DOL contract costs (assume that the contract will be awarded).

Samples of the Statement of Total Costs are available in DCD's website:

<http://www.dol.gov/oasam/programs/boc/costdeterminationguide/main.htm>

Specifically, at:

<http://www.dol.gov/oasam/programs/boc/costdeterminationguide/sec3.pdf>, pages III-7 or III-9, as applicable. These statements have two ways of calculating the indirect cost rate built into the schedule.

Note that if the entity has multiple rates (overhead, G&A, offsite, onsite, etc.) the indirect cost column presented in the schedule should be modified to include each proposed rate into separate columns.

14. **Fee** - Please provide the specific rate proposed.

The Government warns offerors that taking exception to any term or condition of the RFP (including submitting any alternative proposal that requires a relaxation of a requirement), will make an offer unacceptable and the offeror ineligible for award, unless the RFP expressly authorizes such an exception with regard to that specific term or condition. The Government will consider any exception to a term

or condition of the RFP that is not expressly authorized by the RFP to be a deficiency, as defined in FAR Part 15. An offeror may eliminate a deficiency in its proposal only through discussions, as defined and prescribed in FAR Part 15. However, the Government intends to award a contract without technical discussions, as authorized by FAR Part 15. Therefore, any offeror planning to take exception to a term or condition of the RFP must consult with the Contracting Officer prior to submitting a proposal, unless the RFP expressly authorizes such an exception. Notwithstanding its plan to award without discussions, the Government reserves the right to conduct technical and cost discussions with offerors in a competitive range, if necessary, and to permit such offerors to revise their proposals. The government also reserves the right to change any terms and conditions of their RFP by amendment at any time prior to contract award and to allow offerors to revise their offers accordingly, as authorized by FAR Part 15.

The offeror must not make reference to cost or price data so that an independent technical evaluation may be made on the basis of technical merit alone. Proposals must not specify less than one hundred twenty (120) days Government Acceptance. After the due date, an offeror can not take exception to any provisions of this Request for Proposals or place any condition on his/her proposal. Offerors may only submit one proposal.

DOL will not award to offerors whose proposals do not meet the above requirements.

L.5 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 those 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):

<http://www.arnet.gov/far>

L.6 PAST PERFORMANCE

Offerors shall submit the following information as part of their proposal for both the offeror and proposed major subcontractors:

A. A list of five (5) "relevant" contracts and subcontracts completed during the past three (3) years and at least 12 months in duration. The offeror must submit the past performance reference information by filling out Attachment J.7 for each of the five references. The reference should be on project/work similar in nature. References for project/work not similar in nature will not be considered. Contracts listed may include those entered into by the Federal Government, agencies of state and local governments and commercial customers. Offerors that are newly formed entities without prior contracts should list contracts and subcontracts as required above for all key personnel. Offerors, please make sure you include the following information for each contract and subcontract:

1. Name of contracting activity
2. Contract number
3. Contract type
4. Total contract value
5. Contract work
6. Contracting officer and telephone
7. Program manager and telephone
8. Administrative contracting officer, if different from #6 and telephone number
9. List of major subcontractors
10. Periods of Performance for contracts and/or subcontracts

B. The offeror may provide information on problems encountered on the contract and subcontracts identified above and corrective actions taken to resolve those problems. Offerors must not provide general information of their performance on the identified contracts. The Government will obtain general performance information from the references.

C. Each offeror will be evaluated on its performance under existing and prior contracts for similar products or services. Performance information will be used for both responsibility determinations and as an evaluation factor against which offerors' relative rankings will be compared to assure best value to the Government. The Government will focus on information that demonstrates quality of performance relative to the size and complexity of the procurement under consideration. The contractor's reference questionnaire form identified in Attachment J.8 will be used to collect this information. The Government may contact references other than those identified by the offeror and may use this information to evaluate the offeror's past performance. The Government also reserves the right to decide not to contact all of the references provided by the offeror. The Government will not disclose to the offeror, the names of individuals providing information about an offeror's past performance.

L.7 SPECIAL REQUIREMENTS

The contractor shall be required to provide the necessary personnel to accomplish each task listed above. The key personnel positions and the required time commitments are as follows:

Project Director - 10% Time Commitment

This person must have 10% time commitment to this project, must have a Ph.D. in economics, statistics, or a related field and should have at least 10 years professional experience, including economic and statistical analysis, project management, unemployment insurance actuarial work, and provision of training on statistical techniques.

Project Manager - 100% Full Time Commitment

This person must have 100% time commitment to this project, must have at least a Master's degree in economics, statistics, or a related field and should have at least 5 years professional experience, including economic and statistical analysis, project management, and work related to unemployment insurance.

SECTION M - EVALUATION FACTORS FOR AWARD**M.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an internet address (if specified) for electronic access to the full text of a provision.

| NUMBER | TITLE | DATE |
|----------|---------------------------------|----------|
| 52.217-3 | EVALUATION EXCLUSIVE OF OPTIONS | APR 1984 |

M.2 BASIS FOR AWARD (BEST VALUE)

The Government intends to evaluate proposals using a two-step methodology. The first step will involve the evaluation of the offeror's UNDERSTANDING, TECHNICAL APPROACH, INDIVIDUAL STAFF EXPERIENCE AND QUALIFICATIONS, AND PRICE (evaluation factors A, C, D, and E) listed below). Based on these evaluations, a Competitive Range (FAR Part 15) consisting of the most highly rated proposals will be established.

The second step will involve evaluation of CONTRACTOR'S PAST PERFORMANCE of each offeror within the Competitive Range. Past Performance will be evaluated in accordance with Section L.6 of the solicitation and evaluation factor B listed below.

A cost realism analysis will be performed for all technically acceptable offerors. However, contract award will be based on the combined evaluations of the Understanding, Contractor's Past Performance, Technical Approach, Individual Staff Experience and Qualifications, and Price. The contract resulting from this solicitation will be awarded to the responsible offeror whose offer, conforming to the solicitation, is determined to provide the "best value" to the Government, which may not necessarily be the proposals offering the lowest cost nor receiving the highest technical score. It should be noted that cost is not a numerically weighted factor.

Although non-cost factors are significantly more important than cost, cost is an important factor and should be considered when preparing responsive offers (proposals). The importance of cost as an evaluation factor will increase with the degree of equality of the proposals in relation to the remaining evaluation factors.

When the offerors within the competitive range are considered essentially equal in terms of technical, past performance and other non-cost factors (if any), or when cost is so significantly high as to diminish the value of the technical superiority to the Government, cost may become the determining factor for award. In summary, cost/non-cost trade offs will be made, and the extent to which one

may be sacrificed for the other if governed only by the tests of rationality and consistency with the established factors.

Prospective contractors are advised that the selection of a contractor for contract award is to be made, after a careful evaluation of the offers (proposals) received, by a panel of specialists chosen by DOL/ETA. Each panelist will evaluate the proposals for technical acceptability using a range of scores assigned to each factor. The factors are presented in the order of emphasis that they will receive (i.e., Factor A has the greatest weight, Factor B the second greatest weight, etc.). The scores will then be averaged to select a contractor for award on the basis of their proposal being the most advantageous to the Government, price and other factors considered.

M.3 EVALUATION CRITERIA

A. UNDERSTANDING (30 POINTS)

The offerors should provide sufficient information to demonstrate a thorough knowledge and understanding of the complexities of the UI system, UI data, modeling of benefit programs, and profiling methods. The offeror should also demonstrate understanding of the training needs of state and actuarial staff and understanding of training techniques.

PLEASE BE ADVISED THAT OFFERORS WILL BE EVALUATED UNDER THIS FACTOR BASED ON THE FOLLOWING:

- 1) The offeror's demonstrated understanding of the complexities of the UI System, of UI data, and of modeling techniques for benefit programs.
- 2) The offeror's demonstrated understanding of profiling methods.
- 3) The offeror's demonstrated understanding of the training needs of state actuarial staff and demonstrated understanding of training techniques.

B. CONTRACTOR'S PAST PERFORMANCE (30 points)

The offeror should provide sufficient information to demonstrate its experience in performing work similar to the requirements of this project, including experience in providing training in statistical concepts and methods. Relevant information including contact information should be provided for past contracts of similar nature.

Past performance shall include evaluating offerors with no relevant performance history, and shall provide offerors an opportunity to identify past or current contracts (Federal, State and local government, and private) for efforts similar to the Government requirement. Offerors will be provided the opportunity to address unfavorable reports of past performance, if the offeror has not had a previous opportunity to review the rating. Offerors shall provide information on problems encountered on the identified contracts and the offerors' corrective actions. The Government shall consider this information, as well as information obtained from any other sources, when evaluating the offeror's past performance. The contracting officer shall determine the relevance of similar past performance information. Offerors shall submit past performance information regarding predecessor companies, key personnel and subcontractors that will perform major or critical aspects of the requirement. Offerors without relevant past performance history or for whom information on past performance is not available

may not be evaluated favorably or unfavorably on past performance. In this instance the offeror would receive a neutral score.

C. TECHNICAL APPROACH (20 points)

Offeror should provide sufficient information to judge the adequacy of the technical approach to accomplish the required tasks. Offeror's discussion of the approach to be used in accomplishing the required tasks should demonstrate an understanding of those tasks and the ability to satisfactorily complete the tasks.

PLEASE BE ADVISED THAT OFFERORS WILL BE EVALUATED BASED ON THE FOLLOWING:

- 1) Offeror's proposed approach to providing benefit cost estimating training and profiling methods training.
- 2) Offeror's proposed approach to providing profiling methods technical assistance.
- 3) Offeror's proposed approach to providing trust fund forecasting technical assistance.
- 4) Offeror's proposed approach to developing, improving and maintaining models for budget and legislative estimates.
- 5) Offeror's proposed approach to producing the various reports required by the project.

D. INDIVIDUAL STAFF QUALIFICATIONS AND EXPERIENCE (20 points)

The offeror should provide sufficient information to judge the experience and competence of staff proposed to be assigned to the project to assure that they meet the required qualifications. Successful performance of the proposed work depends heavily on the qualifications of the individuals committed to this project, and the adequacy of the time commitment for each individual in relation to the specific tasks that they will perform.

PLEASE BE ADVISED THAT OFFERORS WILL BE EVALUATED BASED ON THE FOLLOWING:

- (1) The experience and qualifications of the Project Director and the amount of time committed to the project. It is DOL's expectation that this position will require a 10% time commitment of the proposed individual's time over the period of performance. This person should have a Ph.D. in economics, statistics, or a related field and should have at least 10 years professional experience, including economic and statistical analysis, project management, unemployment insurance actuarial work, and provision of training on statistical techniques.
- (2) The experience and qualifications of the proposed Project Manager and the amount of time committed to the project. It is DOL's expectation that this position will require a 100% commitment of the proposed individual's time over the period of performance. This person shall be a qualified professional capable of supervising activities involved in support of each task; be qualified to coordinate all project related personnel matters; communicate both orally and in writing with all levels of ETA personnel; be a qualified professional capable of

working independently and providing guidance to lower level personnel. The Project Manager should have at least a Master's degree in economics, statistics, or a related field and should have at least 5 years of professional experience, including economic and statistical analysis, project management, and work related to unemployment insurance.

(3) The experience and qualifications of all other proposed project staff in relation to their roles in the project. Special attention will be paid to the leaders for specific contract tasks, and their prior experience in performing their designated tasks. These individuals shall be identified specifically with respect to responsibility for tasks.

(4) A resume for each professional staff person to be assigned to the project. At a minimum, each resume shall include:

(a) The individual's current employment status and previous work experience, including position title, dates in position, duties performed, and employing organization. Duties shall be clearly defined in terms of the role performed, i.e., management, team leader, consultant. Also, indicate whether each individual is currently employed by the contractor, and (if so) for how long.

(b) A statement of the work that the individual has completed or which is currently underway that is relevant to the proposed work; and

(c) The individual's educational background;

(5) A Letter of Intent for each professional staff person. All professional personnel must devote a full time effort on this project except where percentage of time of professional personnel is designated in the RFP. Letters of Intent must be signed (by employee/contingency hire) and dated. The Offeror shall provide letters of intent from current employees that state they: (1) will remain employed by the Offeror; and (2) will work for at least six months on the resultant contract if awarded to the Offeror. Letters of intent must also be submitted for contingency hires, defined as persons not currently employed but who have executed a binding letter of commitment. Letters should be signed by the offeror and the employee.

(6) The proposed plan for deploying staff and resources, including staffing charts listing names, qualifications, and experience of professional personnel (including outside consultants) and staff time/ time loading charts showing the amount of time each staff person will devote to each task.

E. PRICE

Cost Realism will be performed as part of the proposal evaluation process. The purpose of this evaluation shall be to (a) verify the offeror's understanding of the requirement; (b) to assess the degree to which the cost/price proposal reflects the approaches and/or risk assessments made in the technical proposal as well as the risk that the offeror will provide the services for the offered price/cost; and (c) assess the degree to which the cost reflected in the cost/price proposal accurately represents the work effort included in the technical offer (proposal).

M.4 DETERMINING BEST OVERALL VALUE

In order to determine which offeror represents the best overall value, the Contracting Officer will make a series of paired comparisons among only those offerors that submitted acceptable offers (proposals). If, in any paired comparison, the offeror with the higher expected value also has the lower price, then the Contracting Officer will consider that offeror to represent the better overall value. If the offeror with the higher expected value has the higher price, then the Contracting Officer will decide whether the difference in expected value is worth the difference in price. If the Contracting Officer decides that it is, then they will consider the offeror with the higher expected value and the higher price to represent the better overall value. If not, then the Contracting Officer will consider the offeror(s) with the lower expected value and the lower price to represent the better value. The Contracting Officer will continue to make paired comparisons in this way until they have identified the best overall value. Please be advised that in the event that offerors within the competitive range are essentially technically equal in terms of technical, past performance, other non-cost factors, and price, the Government reserves the right to award multiple contracts under this solicitation.

Pursuant to FAR Subpart 52.215-1 Instructions to Offerors - Competitive Acquisition, the Contracting Officer reserves the right to award, without discussion to the source(s) whose offer is the most advantageous to the Government, price and other factors considered.