



P Prepare RFQ - Review

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RFQ Close Date (RFQ must be open a minimum of 2 calendar days, the default is set to 5 calendar days; the RFQ will issue when submitted - next screen). Select the day your RFQ will close: Thu, Jul 31, 2008 Time: 12:00 pm (all times are Eastern)					
RFQ ID RFQ292502			Reference # RFQ08000023		
RFQ Title Audit Support Services on Travel & Professional Services (USAC)			Delivery From Date of Award to Date of Completion		
Line Items					
Mfr. part No/NSN/Item	Manufacturer	Product/Service Name	Qty	Unit	Ship Address
USAC	Audit	Travel & Professional Services Contract	1	LO	(1)
Description The Office of Inspector General (OIG), Federal Communications Commission (FCC), is requesting proposals for an independent audit of the Universal Service Administrative Company's (USAC) expenses for travel and professional service contracts (e.g., legal and consulting services). This performance audit is to be conducted in accordance with Government Auditing Standards, January 2007 Revision (GAO-07-162G). This shall be a firm-fixed-price task order.					
Attached Documents: Quotation Cover.doc PWS for USAC Audit of Travel and Professional Service RFQ SUBMISSION REQUIREMENTS - Final.doc Past Performance Contact Information Sheet OIG.doc					
Shipping Address (1) FCC: Federal Communications Commission 445 12TH STREET, SW A 1462 Washington, DC 20554					
<i>Individual Receiving Shipment</i> SHELVIA N. ARMSTRONG 202-418-1439 SHELVIA.ARMSTRONG@FCC.GOV					

Audit of Universal Service Administrative Company (USAC)
Travel and Professional Service Contracts

Quotation Cover Page
for
Audit Support Services on Travel & Professional Services (USAC)

Company Name:

Name, Title, Email Address and Phone Number of Company Representative for GSA Orders:

Payment Terms:

GSA Schedule Number and expiration date:

Please check business size: () Large () Small () Minority () Women-owned

TIN:

DUNS:

NAICS:

Product Service Code (PSC):

Complete Mailing Address:

Other Pertinent Information:

Offer Acceptance Period (no less than 60 days from due date of proposal):

Name, Title, Email Address and Phone Number of Person Authorized to Sign Offer:

Signature:

Date:

**Performance Work Statement
for
Audit of Universal Service Administrative Company¹ (USAC)
Travel and Professional Service Contracts**

INTRODUCTION

The Office of Inspector General (OIG), Federal Communications Commission (FCC), is requesting proposals for an independent audit of the Universal Service Administrative Company's (USAC) expenses for travel and professional service contracts (e.g., legal and consulting services). This performance audit is to be conducted in accordance with *Government Auditing Standards*, January 2007 Revision (GAO-07-162G).

C.1 BACKGROUND

The Federal Communications Commission (FCC) is an independent United States government agency, directly responsible to Congress. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.

The Universal Service Administrative Company (USAC) is an independent, not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the Federal Communications Commission (FCC). USAC administers Universal Service Fund programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries. The Universal Service Fund helps provide communities across the country with affordable telecommunications services.

C.2 OBJECTIVES AND SCOPE

The objectives of the audit are to:

- (1) Evaluate the design and implementation of USAC's internal controls for business travel and professional service contracts (e.g., legal and consulting services).

¹ Performance audits are defined in the July 2007 revision of *Government Auditing Standards* as engagements that provide assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices.

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- (2) Compare (benchmark) USAC's policies and costs for business travel and professional service contracts with the allowable cost provisions within the Federal Acquisition Regulation (FAR) Part 31.2, Contracts with Commercial Organizations (including but not limited to 31.205-1, 31.205-22, 31.205-33, and 31.205-46). Note that FAR 31.205-46, Travel Costs, incorporates by reference the limitations prescribed in Federal Travel Regulations by the General Services Administration.

In connection with this, the contractor shall:

- Develop an audit program and project plan for performing the audit.
- Hold an entrance conference with USAC key personnel to discuss the objectives of the audit.
- Review and become knowledgeable of USAC's policies (including limitations), procedures, and internal controls for employee business travel and contracting for professional services (e.g., legal, consulting).
- Assess the design and implementation of USAC's internal controls for travel and professional service contracts.
- Compare USAC policies for travel expenses with the allowable cost provisions within Federal Acquisition Regulation (FAR) Part 31.2, Contracts with Commercial Organizations (i.e., FAR 31.205-46, Travel Costs, which incorporates by reference the limitations prescribed in Federal Travel Regulations by the General Services Administration).
- For a representative and statistically valid sample of actual USAC employee travel expenses (e.g., transportation, lodging, meals) over the past 24 months, compare expenses paid to what would have been allowable under the Federal Acquisition Regulation and Federal Travel Regulations.
- Compare USAC policies for professional service (e.g., legal, consulting) contracting with the allowable cost provisions within Federal Acquisition Regulation (FAR) Part 31.2, Contracts with Commercial Organizations (including but not limited to 31.205-1, 31.205-22, and 31.205-33).
- For all USAC professional service contracts in effect over the past 24 months, compare the expenses actually paid to what would have been allowable under the Federal Acquisition Regulation (FAR) Part 31.2, Contracts with Commercial Organizations (including but not limited to 31.205-1, 31.205-22, and 31.205-33).
- Prepare a draft report on the results of audit, referenced to supporting audit evidence.
- Hold an exit conference with key USAC personnel to discuss the results of audit and draft audit report
- Deliver a final report on the results of audit, referenced to supporting audit evidence, that incorporates USAC comments to the Inspector General.
- Plan the audit, conduct it, and report results of the audit in accordance with *Government Auditing Standards*, January 2007 Revision (GAO-07-162G).

C.3 ENTITY TO BE AUDITED AND LOCATION

The audit will be performed, primarily, at the contractor's site, the FCC, and the corporate office of the Universal Service Administration Company:

Universal Service Administrative Company
2000 L Street, N.W.
Suite 200
Washington, D.C. 20036

C.4 GUIDES AND REFERENCES

- FCC OIG Policies, Procedures, and Quality Control Procedures.
- Federal Acquisition Regulation (www.gsa.gov).
- Federal Travel Regulations (www.gsa.gov).
- Government Auditing Standards, January 2007 Revision (GAO-07-162G).

C.5 CONTRACTING OFFICERS TECHNICAL REPRESENTATIVE (COTR)

A Contracting Officer's Technical Representative (COTR) will be appointed for the contract. The COTR will be responsible for oversight, monitoring day-to-day progress, and providing a liaison to support the Contracting Officer and other FCC personnel. In no event shall any understanding, agreement, modification, change order or other matter deviating from the terms and conditions of the contract be effective or binding upon the FCC unless authorized by a modification document executed by the Contracting Officer prior to completion of the contract.

The Contracting Officer shall be informed, as soon as possible, of any actions or inactions by the Contractor or the FCC that may affect the service delivered, completion time, or price stated in this contract, so that the contract may be modified if necessary. The COTR is **not** authorized to direct any action that results in a change in scope, price, terms, or conditions of the contract.

C.6 DELIVERABLES

During the performance of the contract, the contractor shall deliver the following:

- **Key Personnel.** A list of key personnel who will be working on the contract will be delivered to the COTR within 5 business days of contract execution. Key personnel may not be added or substituted without the Contracting Officer's approval.
- **Kickoff Meeting.** An initial meeting with the COTR to discuss project planning and execution and contractual matters within 10 business days of contract execution.

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- **Project Plan.** A project plan detailing the specific steps to be taken to accomplish the objectives described in this Performance Work Statement will be delivered to the COTR within 20 business days of contract execution. The plan shall include milestones, their estimated completion dates, and the final project completion date. In addition to scheduled milestones, the work plan will identify the persons responsible for accomplishing each scheduled milestone. The plan shall be submitted to the COTR for review and approval. The contractor is encouraged to use computer-assisted tools for the project plan. Any graphic presentations should be accompanied by appropriate narrative.
- **Audit Plan.** An audit plan/program detailing specific audit procedures to be performed shall be prepared and submitted to the COTR for review and approval. The audit plan will be delivered to the COTR no later than 30 business days after contract execution.
- **Monthly Status Meeting.** Beginning after the kickoff meeting, a monthly status meeting will be scheduled with the COTR to discuss project status. The contractor will meet with the COTR more frequently if requested by the COTR. The senior manager for the contract is expected to attend the status meetings with the COTR. The contractor shall prepare a written agenda for each meeting.
- **Monthly Status Report.** A monthly status report shall be submitted to the COTR no later than the last business day of each month, commencing in the month after contract execution. The report should include current status, a comparison of actual with planned accomplishments, milestones completed, deviations from schedule, the percentage of project completion, and any factors that might, or are, adversely affecting the timeliness or quality of work. The report should also include a narrative identifying any potential findings. The contractor should consult with the COTR on the format of the report. Updated project plans should be provided as needed.
- **Monthly Personnel Listing.** A listing of all contractor personnel working on the project shall be updated each month and provided to the COTR no later than the last business day of each month. All contractor personnel working on the project shall be subject to security clearance procedures mandated by the FCC and the Office of Inspector General.
- **Entrance and Exit Conferences.** The contractor shall schedule and conduct an entrance conference and an exit conference with USAC. The contractor shall also schedule and conduct interim conferences as needed or as requested by the COTR. The contractor shall meet with other FCC OIG personnel, including the Directors of Contract, Financial, and IS Audit; Assistant Inspectors General for Audit; and the Inspector General when requested.
- **Draft Report.** A draft, written report on the results of audit shall be provided to USAC after a review by the COTR. The draft report shall include an executive summary, background information, criteria, detailed information on findings, and recommendations when appropriate. The audit reports shall comply with GAO Government Auditing Standards. The draft report shall be referenced to supporting audit evidence (working papers) and submitted along with the draft report to the COTR. The contractor should consult with the COTR on the format of the report. The due date for the draft report will be established in the project plan accepted by the COTR.

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- **Final Report.** A written final report that incorporates written responses to the draft report from USAC and any necessary revisions shall also be delivered to the COTR. The final report is to be referenced to supporting audit evidence. The final report shall be delivered within 10 business days of the receipt of a written management response to the draft report or, in the absence of such timely management comments, the date the COTR directs the contractor to proceed with the final report.
- **Audit Evidence.** Working papers that document supporting audit evidence and work performed in executing the audit program/plan shall be submitted to the COTR when the draft and final reports are delivered. The contractor is responsible for preparing, reviewing, and indexing working papers supporting the execution of the audit program, as well as the draft and final audit reports. Working papers should comply with audit documentation requirements discussed in GAO Government Auditing Standards. Working papers will be subject to OIG review in accordance with its quality control procedures and should not be considered complete until given OIG's explicit approval. Access to working papers shall be provided to the COTR at any time during contract performance for interim reviews and quality checks by the COTR.
- **Summary of Deliverables.** In summary, and as explained above, the contractor shall provide the following deliverables:
 - (1) A list of key personnel assigned to the project.
 - (2) An initial meeting with the COTR.
 - (3) A project plan.
 - (4) A detailed audit program/plan.
 - (5) Entrance, exit, and interim conferences.
 - (6) Monthly status reports.
 - (7) Monthly update of the list of personnel working on the contract.
 - (8) Monthly status meetings with the COTR, unless more frequent meetings are requested by the COTR.
 - (9) A draft report referenced to supporting working papers.
 - (10) A final report referenced to supporting working papers.
 - (11) Working papers documenting the audit evidence and work performed, as well the entrance, exit and interim conferences.

The Contractor shall provide deliverables to the COTR at 445 12th Street, SW, Room 2-C762, Washington, DC 20554. The COTR will review each deliverable and provide any comments to the Contractor within 10 business days unless otherwise negotiated. The Contractor shall address or resolve these comments and return the deliverable to the COTR within 5 business days of receipt unless otherwise negotiated.

All deliverables, including working papers and other audit evidence, shall become the property of the Office of Inspector General, Federal Communications Commission, and shall not be released to any party outside the Commission (the FCC) without the permission of a senior member of the

FCC OIG staff. Each deliverable shall be submitted in hard copy and in an acceptable electronic format.

If any deliverables or material obtained during contract performance is classified as “Non Public – for Internal Use Only,” the contractor will not release any item so classified to any person or entity outside the FCC OIG without the written permission of a senior member of the FCC OIG staff.

During the course of contract performance, any potential fraud, waste, or abuse discovered by the contractor shall immediately be reported to the COTR.

C.7 PERIOD OF PERFORMANCE

The period of performance is expected to be a period of six months commencing with the date of contract award.

C.8 LOCATION OF WORK TO BE PERFORMED

It is expected that the work will be performed at the auditor's site, the locations of USAC offices, and at FCC facilities, as required, in Washington, D.C.

C.9 KEY CONTRACTOR PERSONNEL

The Contractor shall identify, in writing, key personnel responsible for performance of the contract. No substitutions are allowed without the COTR's approval. Additionally, the education and experience of a proposed substitute shall be similar to that of the key person to be replaced. Contractor key personnel, as well as personnel performing assessments of Information Technology security and controls must be subjected to the clearance procedures of the FCC Security Office.

C.10 CONTRACT PRICE

This shall be a firm fixed-price contract. There will **not** be a contract provision for reimbursement of any travel or other direct costs incurred in performance of this contract.

C.11 PAYMENT

Interim payments will be based on the achievement of milestones. Final payment will be made when the final reports and supporting working papers have been accepted. It is anticipated that interim payments, expressed as a percentage of the firm fixed-price, will be made as follows:

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DELIVERABLE		INTERIM PAYMENT EXPRESSED AS A PERCENTAGE OF THE TOTAL FIRM FIXED PRICE
An initial meeting with the COTR within 10 business days of contract execution.		2% of the firm fixed price
An acceptable project plan within 20 business days of contract execution.		3% of the firm fixed price
An acceptable audit program for each provider within 30 business days of contract execution.		5% of the firm fixed price
Monthly status meeting with COTR completed (unless in the COTR's judgment little or no progress was made since the last meeting).		4% (for each monthly status meeting, but not to exceed a cumulative total of 40% of the firm fixed price.)
Acceptance of the draft report and supporting working papers.		20% of the firm fixed price
Acceptance of the final report and supporting working papers.		30% of the firm fixed price (or remainder due if greater).
TOTAL :		100%

C.12 PERFORMANCE BASED WORK STATEMENT DEDUCTIONS

The Contractor must submit the required deliverables in accordance with the due dates listed in the Deliverables section above and the project plan schedule accepted by the COTR. The COTR will monitor the Contractor's activities and accomplishments and will indicate acceptance or non-acceptance of the deliverables. The deliverables identified above will be inspected and either approved or, if they are not acceptable, rejected by the COTR. The Contractor may be required to revise such deliverables if they are unacceptable. Such inspections will commence within 3 business days after the COTR receives such deliverables and will be completed within 10 business days after the COTR receives the deliverable. Before the contractor will be paid for draft and final reports, they shall to be grammatically correct without substantive misspellings, syntax errors, errors in logic, or other substantive errors. In the event that the Contractor is unable to submit any of such required deliverables in a timely manner (or if the deliverables have been reasonably rejected in a timely manner and have not been revised before the relevant deliverable due date), the following monetary deductions will be applied to the following

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invoice.

Deliverable	Maximum Allowable AQL Deviation*	Surveillance Method	Deduction from Contract Price for Exceeding the AQL**
An initial meeting with the COTR within 10 business days of contract execution.	5 business days	COTR will facilitate scheduling and provide weekly notice to contractor until meeting is scheduled.	5% of invoice deducted for each week late.
An acceptable project plan within 20 business days of contract execution.	5 business days	COTR will review and approve or reject the project plan within 10 business days of receipt.	5% of invoice deducted for each week late.
An acceptable audit program within 30 business days of contract execution.	5 business days	COTR will review and approve or reject the audit plan within 10 business days of receipt.	5% of invoice deducted for each week late.
Semimonthly status meeting completed with the COTR.	5 business days	COTR will facilitate scheduling.	5% of invoice deducted for each week late.
The due date for the draft report will be established in the project plan upon acceptance by the COTR. The draft report shall be referenced to supporting audit evidence. Before the contractor will be paid, all draft reports shall be grammatically correct and free of misspellings, syntax errors, errors in logic, or other substantive errors.	5 business days.	COTR will review and approve or reject the draft report within 10 business days of receipt.	5% of invoice deducted for each week late.
The final report shall be delivered within 10 business days of the receipt of a written management response to the draft report or, in the absence of timely management comments, the date the COTR directs the contractor to proceed with the final report. Before the contractor will be paid, the final report shall be grammatically correct and free of substantive misspellings, syntax errors, errors in logic, or other substantive errors.	5 business days	COTR will review and approve or reject the final report within 10 business days of receipt.	5% of invoice will be deducted for each week late.

*Acceptable Quality Level – The maximum allowable degree of deviation from the standard for the task that will be permitted by the government before performance is deemed to be unsatisfactory.

**Amount that can be reduced from the invoice charges.

The deductions established in this matrix may be reduced or waived by the Contracting Officer

by written notice if circumstances beyond the control of the Contractor have materially affected the Contractor's ability to achieve the deliverable deadlines set forth in this document. Such relief shall be granted only in extraordinary circumstances, upon a formal application by the Contractor.

C.13 SUITABILITY AND SECURITY PROCESSING

C.13.1 General

(a) All contract personnel are subjected to background investigations for the purpose of suitability determinations. Based on their proposed duties, some contract personnel may also be required to have security clearance determinations. No contract personnel may be assigned to work on the contract without a favorable initial review of the OF 306, *Declaration for Federal Employment* (http://www.opm.gov/forms/pdf_fill/of0306.pdf) or a written waiver from the FCC Security Operations Center (SOC).

(b) Suitability, waiver, and security clearance determination investigations are currently conducted through the FCC Security Operations Center (202- 418-7884). The individual contract employee will be provided with a review process before a final adverse determination is made. The FCC requires that any contract personnel found not suitable, or who has a waiver cancelled, or is denied a security clearance, **be removed by the contractor during the same business day that the determination is made.**

(c) If the contract personnel is re-assigned and the new position is determined to require a higher level of risk suitability than the contract personnel currently holds, the individual may be assigned to such position while the determination is reached by the SOC. A new A-600 shall be necessary for the new position.

(d) Contract personnel working as temporary hires (for ninety (90) days or less) must complete and receive a favorable initial review of the OF 306 and complete the contract personnel section of the FCC Form A-600, "FCC Contractor Record Form." If during the term of their employment they will have access to any FCC network application, they must also complete and sign the FCC Form A-200, "FCC Computer System Application Access Form."

13.2 At Time of Contract Award

(a) The FCC Security Operations Center must receive the completed, signed OF 306 for all proposed contractor employees at the time of contract award. Resumes for all personnel

proposed for assignment on the contract should be provided to the Security Office prior to the time of in-take processing (see below, 2.3.2). **The FCC Security Operations Center requires**

up to five (5) working days (from the date they are received) to process the OF 306 before any employee is allowed to begin work on the contract. A written waiver from the SOC may be obtained in special circumstances.

All contract personnel, regardless of task description, must complete this form. Without an approved, completed OF 306 on file at the SOC, no contractor employee may begin work. An approved OF 306 is one that has passed initial review by the SOC. During the course of the SOC review of the OF 306, the contract personnel may be interviewed by SOC staff regarding information on their OF 306.

(b) In addition, the Contractor is responsible for submission of completed, signed computer security forms for each employee prior to that person beginning work on the contract (See Appendix No. 3, FCC Instruction 1479.1, FCC Computer Security Program Directive and sample forms.) These forms should be submitted to the FCC Computer Security Office.

(c) The COTR shall begin processing their section of the FCC Contract Personnel Record (FCC Form A-600) at this time. This form, with the COTR and CO portions completed, will be distributed at the time of contract award and must be submitted to the SOC within ten (10) working days.

(d) The Office of Personnel Management (OPM) will issue a Certificate of Investigation (CIN) following the appropriate background investigation. The SOC notifies the CO and COTR and contract personnel who have received a favorable adjudication so they may receive their permanent access credential.

13.3 IDENTITY PROOFING, REGISTRATION AND CHECKOUT REQUIREMENTS

13.3.1 Locator and Information Services Tracking (LIST) Registration

The Security Operations Center maintains a Locator and Information Services Tracking (LIST) database, containing contact information for all Commission and contract employee personnel, regardless of work location.

The contract employee's FCC Form A-600, "FCC Contractor Record Form" captures the information for data entry into the LIST system.

13.3.2 Intake Processing

(a) Following the processing of the OF 306 and an initial favorable suitability determination, (unless otherwise waived) the contract personnel shall report to the FCC for identity verification and access badge issuance on their first scheduled workday.

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(b) All new contract personnel must be escorted to the SOC by either the CO or COTR responsible for the contract. At this time the contractor personnel must present two forms of identification; one of which must be a picture ID issued by a state, or the Federal, government. The other piece of identification should be the original of one of the following:

- U.S. Passport (unexpired or expired)
- Certificate of U.S. Citizenship (Form N-560 or N-561)
- Certificate of Naturalization (Form N-550 or N-570)
- School ID
- Voter's registration card
- U.S. Military ID card
- Military dependent's ID card
- U.S. Coast Guard Merchant Mariner card
- Native American Tribal document
- U.S. Social Security card
- Certification of Birth Abroad, (Form FS-545 or Form DS-1350)
- Original or certified copy of a birth certificate, bearing an official seal

(c) After identity verification, the individual shall complete the Fingerprint Card form, FD 258, the Fair Credit Report Act form, and be photographed and issued the appropriate access badge.

(d) At this time the contract employee will be given one of the following forms, based on the security risk designation for the proposed support classification/position, to complete and return to the SOC within seven (7) business days:

- (i) **Low Risk Positions** - SF 85, Questionnaire for Non-Sensitive Positions
- (ii) **Moderate Risk Positions** - SF 85-P, Questionnaire for Public Trust Positions
- (iii) **High Risk Positions/Secret or Top Secret Security Clearances** – Standard Form SF) 86, Questionnaire for Sensitive Positions

(e) For any contract employee whose name is provided to the Commission for security investigation at (ii) or (iii) level, who subsequently leaves the subject contract, due to Contractor or contract employee decision, within the first year, the Contractor shall reimburse the Commission for the cost of the investigation. If the contract or task order is scheduled for completion in under one year and the contract employee for whom a security investigation has been done leaves prior to the work being done, the Contractor and SOC shall agree on a pro-rated amount for reimbursement. The cost may range from approximately \$400.00 (moderate risk) to \$3,000.00 (high risk). The Contractor will be provided a copy of the investigation invoice with the reimbursement request.

13.3.3 Monthly Contractor Personnel Reports

The monthly report verifying contract personnel working at the FCC is a crucial element in the agency's compliance with Homeland Security Presidential Directive (HSPD) 12. Accurate and timely reporting are required as part of the ongoing access control efforts as mandated by HSPD-12 and implementing directives.

(a) The Contractor's Program Manager shall submit a contract personnel list to the SOC on the first working day of each month. This report shall be identified by the contract name and FCC number, and shall list all the contract employees working at the FCC in the immediately previous month.

(b) The report shall highlight or list in some way those individuals who are no longer employed by the Contractor or who are no longer working on the subject contract. As well, any additional contract personnel who have been successfully processed for work on the contract since the previous report shall also be noted.

(c) The report may be delivered electronically in MS Excel format. The covering email should contain a statement of certification of accuracy and should originate with the Contract Program Manager or other Contractor executive personnel. The author of the email shall be considered the signatory.

(d) No later than the 15th of each month, the SOC will notify the Contract Program Manager, the author of the email covering the Monthly report (if different), the COTR and the Contracting Officer if the report is a) received after the first working day of the month, or b) contains errors in the listing. The notification will identify the reason for deficit in the report.

(e) The first instance of either a) or b) above shall result in a Five Hundred Dollar (\$500.00) penalty against the Contractor. The assessed penalty shall increase in Five Hundred Dollar (\$500.00) increments for each subsequent Monthly report received either late or containing errors.

13.3.4 Checkout Processing:

(a) All contract employees no longer employed on the subject contract, or at the termination of the contract, are required to report to the SOC and complete the sign-out portion of the FCC A-600, Contract Personnel Record.

(b) This process verifies the access badge has been returned to the SOC by the contract personnel.

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(c) If the checkout processing is not completed by the contract employee, the Contractor shall take action to ensure its accomplishment no later than thirty (30) calendar days after the employee's departure from the FCC.

(d) The Contractor shall be liable to the FCC for an administrative processing charge of \$150.00 (One Hundred Fifty Dollars), for each of their employees who leaves their duty assignment at the Commission and fails to complete the checkout processing within thirty (30) calendar days of departure. Mellon Bank, N.A., handles collection and processing of all

Commission administrative charges and should payment become necessary, the Contractor will be provided the appropriate directions for an EFT.

(e) The Contractor shall be liable for any actual damages arising from a failure to ensure that the checkout processing occurs within the thirty (30) calendar days of the contract employee's departure from the FCC.

C 13.3.5 Federal Holidays

The Contractor must establish for this Contract a standard holiday schedule that exactly coincides with the Government's schedule for employees working on Government sites. Holidays and other non-work days are not billable unless work is specifically requested by the Government and performed on these days. The following is a list of Government holidays:

- (1) New Year's Day;
- (2) Martin Luther King's Birthday;
- (3) Washington's Birthday;
- (4) Memorial Day;
- (5) Independence Day;
- (6) Labor Day;
- (7) Columbus Day;
- (8) Veterans' Day;
- (9) Thanksgiving Day;
- (10) Christmas Day;
- (11) Inauguration Day (every fourth year)

Contractor personnel on Government facilities will perform no work on observed federal holidays or other non-work days without prior written approval of the COTR. Should approved work be performed on holidays, weekends or other non-work days, it shall be billable at the regular rate.

There are certain types of irregularly occurring circumstances that may prompt the Government to close its offices where Contractor personnel are working, either on a national or local basis (i.e. bomb threats, inclement weather, power outage, death of a national figure, or budget stoppages). Contractor staff shall not work if the Federal Communications Commission is closed, unless otherwise authorized by the Contract Officer.

RFQ SUBMISSION REQUIREMENTS
Audit Support Services on Travel & Professional Services (USAC)

The technical quote **shall not exceed twenty (20) pages**, excluding table of contents, cover sheet, resumes, price information and past performance attachment. A page is defined as one side of an 8½” x 11” sheet of white, un-textured paper, single-spaced, with at least one inch margins on all sides, using not smaller than 10 characters per linear inch or be smaller than twelve (10) point, and shall not exceed six (6) lines per vertical inch. However, any charts, graphics and/or past performance information sheets may be in 10 point font. Information may be submitted on single or double-sided sheets, but shall not exceed this page limitation.

The quote shall be provided electronically, (via electronic mail attachment) and formatted for personal computers using Microsoft software and or Acrobat. **Offerors shall complete and submit the Quotation Cover Page and the Past Performance Contact Information Sheet.**

Evaluation Methodology: Source Selection will be based on best value. All non-price factors are significantly more important than price.

Evaluation Criteria:

Factor 1 – Technical Capability**Sub-factor 1A – Specific Technical Approach:**
(Not-to-Exceed 10-pages)

Describe your firm’s ability to perform audits overall and specific technical approach along with your understanding of the specific issues and risks relating to each of the separate tasks.

Describe in terms of estimates of time by labor category and labor hours your firm’s ability to complete the four phases of the audit (planning, internal control, testing, and reporting). (Note: the labor hours must be the same provided in the separate cost proposal.)

Include your approach to evaluating the adequacy of the USAC’s policies, procedures, and internal controls for business travel and service contracts in accordance Federal Acquisition Regulations (FAR) 31.2 Contracts with Commercial Organizations (including but limited to 31.205-1 through 31.205-46).

Audit1 of Universal Service Administrative Company (USAC) Travel and Professional Service Contracts**Sub-factor 1B – Qualifications of Staff
(Not-to-Exceed 5-pages; excluding resumes)**

Offerors will be evaluated on their ability to immediately provide staff that are experienced, qualified, and trained and who have the appropriate levels of security clearances (if necessary). Consideration should be given to providing staff that has demonstrated experience in performing audits in the areas considered essential for this task order and experience performing audits of travel and professional service costs for allowability under the Federal Acquisition Regulation.

For the reporting entity to be audited under this task order, please provide a schedule of all staff that would in fact be assigned to the audit and include the information listed below:

1. Name.
2. Labor Category.
3. Whether the person will be a key person on this task.
4. Professional Certifications (CPA, CGFM, CISA, etc.) and advanced degrees.
5. Total years of experience performing audits in accordance with Generally Accepted Auditing Standards (GAGAS) and other professional auditing standards.
6. Total years employed by the offeror.
7. Current security clearance level, date of clearance, and agency granting clearance.
8. Number of years and brief description of audit experience in the last three (3) years in the areas considered essential to this task order (see Statement of Work).

Individual resumes will not be accepted in lieu of this schedule. However, for each individual proposed, a one (1)-page summary of additional relevant experience may be submitted for consideration.

**Sub-factor 1C - Independence and Quality Control
(Not-to-Exceed 5-pages)**

The contractor must provide information regarding its independence with respect to the reporting entity/reporting entities and its quality control procedures. Each of the following items must be addressed, including negative responses:

- A statement that the firm is independent with respect to the reporting entity/each of the reporting entities.
- All work, including non-audit services, with the reporting entity/each of the reporting entities in the past two (2) years (including the type of services provided, the period covered, and the results). In addition, the contractor shall

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briefly describe all services for which the contractor is planning to perform or has proposed to perform for the reporting entity/these reporting entities.

- Any lawsuits with the reporting entity/these reporting entities.
- Any relationships with the reporting entity/entities that could impair independence.
- Description of the firm's current internal quality control system, including such items as working paper review procedures, staff independence requirements, and continuing professional education requirements.
- A copy of the contractor's most recent peer review report, related letter of comments, and the contractor's response to those comments. If the peer review report is more than one (1) year old, the contractor must also discuss the results of the contractor's most recent internal inspection program or equivalent. This discussion shall include the date of the report, the period of the report, and the opinion.

Factor 2 – Past Performance

Using the Past Performance Contact Information Sheet, list up to three (3) comparable efforts performed during the last three years. The Government may also consider information obtained through other sources. Past performance information will be utilized to determine the quality of the contractor's past performance.

Factor 3 – Price

The factors for past performance and relevant experience, technical approach, and staff qualifications are significantly more important than cost/price. While cost/price is a substantial factor and will be considered in the evaluation and selection for award, cost/price is less important than the other factors. Cost/price will not be point scored or otherwise rated. Cost/price will be considered and evaluated in determining the overall best value and interest to the Government.

The Offeror's Technical and Cost Proposal must demonstrate a clear understanding of the nature and scope of the work required. Failure to provide a realistic, reasonable and complete Technical and Cost Proposal may reflect a lack of understanding of the Statement of Work requirements and may result in a determination that the Offeror is technically unacceptable. Generally speaking, "generic" information may score lower than information "well tailored" to the selection factors.

Offerors are highly encouraged to discount their labor rates.

PAST PERFORMANCE CONTACT INFORMATION SHEET
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Offeror Information:

Name of Offeror Providing Services: _____

Address: _____

Past Performance Reference Information:

Name of Company/Organization Receiving Services: _____

Point-of-Contact (i.e., Contracting Officer; COTR; Business Manager; etc)

Address: _____

Telephone: _____ FAX: _____

Contract Information:

Contract Number: _____ Dollar Value (Annual): _____

Performance Period: _____ Performance Location: _____

Type of Contract (Check all that apply):

Fixed Price _____ Cost Reimbursement _____ Other (specify) _____

Negotiated _____ Sealed Bid _____ Competitive _____ Non-Competitive _____

Basis of Payment:

Labor/Equipment Hours _____ Other (specify) _____

Type & Extent of Subcontracting: _____

Description of Services Provided: _____

