

ORDER FOR SUPPLIES OR SERVICES

PAGE OF PAGES

1 4

IMPORTANT Mark all packages and papers with contract and/or order numbers

1 DATE OF ORDER 12-31-2002 2 CONTRACT NO (If any) GS-23F-9832H 6 SHIP TO

3 ORDER NO DR-09-03-127 MODIFICATION NO 4 REQUISITION REFERENCE NO CFO 03-127 a NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission

5 ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission, Division of Contracts, Contract Management Center 2, Mail Stop T-7-I-2, Washington DC 20555 b STREET ADDRESS

c CITY Washington d STATE DC e ZIP CODE 20555

7 TO f SHIP VIA

a NAME OF CONTRACTOR Foxx & Company b TYPE OF ORDER

b COMPANY NAME Attn: Mr. Martin O'Neill, Partner, 700 Goodall Complex a PURCHASE ORDER  b DELIVERY/TASK ORDER

c STREET ADDRESS 324 West Ninth Street Reference your \_\_\_\_\_ Except for billing instructions on the reverse, this delivery/task order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.

d CITY Cincinnati e STATE OH f ZIP CODE 45202-1908

9 ACCOUNTING AND APPROPRIATION DATA \$177,576.00<sup>10</sup> REQUISITIONING OFFICE CFO Job Code L1965; B&R Number 37N-15-532-358; BOC 252A, Fund Source 31X0200; Amount Obligated \$177,576 00 Office of the Chief Financial Officer

11 BUSINESS CLASSIFICATION (Check appropriate box(es))  a SMALL  b OTHER THAN SMALL  c DISADVANTAGED  d WOMEN-OWNED

12 F O B POINT Destination 14 GOVERNMENT B/L NO 15 DELIVER TO F O B POINT ON OR BEFORE 16 DISCOUNT TERMS N/A

13 PLACE OF FOR INFORMATION CALL (No collect calls)

a INSPECTION b ACCEPTANCE Amy Siller (301) 415-6747

17 SCHEDULE (See reverse for Rejections)

ITEM NO (A)	SUPPLIES OR SERVICES (B)	QUANTITY ORDERED (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)	QUANTITY ACCEPTED (G)
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This is a firm, fixed-price delivery order with task ordering provisions as described in the attached Statement of Work under the GSA FFS contract referenced above for Financial Management Services. The Terms and Conditions and the Schedule of Prices are attached to this delivery order. The base period is three months, i.e., from January 1, 2003 through March 31, 2003, with four (4) one-year options and one (1) nine-month option that may be exercised.

NRC Project Officer - Robert Radoski, (301) 415-7340  
 I accept the terms and conditions of this delivery order.  
 Martin W. O'Neill, Partner, Foxx & Company 1/02/03 Date

- Attachment 1 - Statement of Work - 7 Pages
- Attachment 2 - Terms and Conditions - 8 Pages
- Attachment 3 - Schedule of Prices - 6 Pages

18 SHIPPING POINT	19 GROSS SHIPPING WEIGHT	20 INVOICE NO	SUBTOTAL	
21 MAIL INVOICE TO				
SEE BILLING INSTRUCTIONS ON REVERSE	a NAME		17(h) TOTAL (Cont. pages)	
	b STREET ADDRESS (or P O Box)			
	c CITY	d STATE	e ZIP CODE	17(i) GRAND TOTAL
	Washington	DC	20555	\$177,576.00

22 UNITED STATES OF AMERICA BY (Signature) Robert Webber 23 NAME (Typed) Robert Webber

TITLE CONTRACTING/ORDERING OFFICER

TEMPLATE - ADM001

ADM002



**TASK ORDER TERMS AND CONDITIONS**

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NOT SPECIFIED IN THE CONTRACT

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**A.1 NRC ACQUISITION CLAUSES - (NRCAR) 48 CFR CH. 20****A.2 OTHER APPLICABLE CLAUSES**

See Addendum for the following in full text (if checked)

52.216-18, Ordering

52.216-19, Order Limitations

52.216-22, Indefinite Quantity

52.217-6, Option for Increased Quantity

52.217-7, Option for Increased Quantity Separately Priced Line Item

52.217-8, Option to Extend Services

52.217-9, Option to Extend the Term of the Contract

**A.3 ELECTRONIC PAYMENT**

The Debt Collection Improvement Act of 1996 requires that all payments except IRS tax refunds be made by Electronic Funds Transfer. It is the policy of the Nuclear Regulatory Commission to pay vendors by the Automated Clearing House (ACH) electronic funds transfer payment system. The electronic system is known as Vendor Express. Payment shall be made in accordance with FAR 52 232-33, entitled "Mandatory Information for Electronic Funds Transfer Payment".

To receive payment, the contractor shall complete the "Company Information" portion of the Standard Form 3881, entitled "ACH Vendor/Miscellaneous Payment Enrollment Form" found as an attachment to this document. The contractor shall take the form to the ACH Coordinator at the financial institution that maintains its company's bank account. The contractor shall discuss with the ACH Coordinator how the payment identification information (addendum record) will be passed to them once the payment is received by the financial institution. Further information concerning the addendum is provided at Attachment . The ACN Coordinator should fill out the "Financial Institution Information" portion of the form and return it to the Office of the Controller at the following address: Nuclear Regulatory Commission, Division of Accounting and Finance, Financial Operations Section, Mail Stop T-9-H-4, Washington, DC 20555, ATTN: ACH/Vendor Express. It is the responsibility of the contractor to ensure that the financial institution returns the completed form to the above cited NRC address. If the contractor can provide the financial information, signature of the financial institutions ACH Coordinator is not required. The NRC is under no obligation to send reminders. Only after the Office of the Controller has processed the contractor's sign-up form will the contractor be eligible to receive payments.

Once electronic funds transfer is established for payments authorized by NRC, the contractor needs to submit an additional SF 3881 only to report changes to the information supplied.

Questions concerning ACH/Vendor Express should be directed to the Financial Operations staff at (301) 415-7520."

#### **A.4 SEAT BELTS**

Contractors, subcontractors, and grantees, are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

#### **A.5 APPROPRIATE USE OF GOVERNMENT FURNISHED INFORMATION TECHNOLOGY (IT) EQUIPMENT AND/ OR IT SERVICES/ ACCESS (MARCH 2002)**

As part of contract performance the NRC may provide the contractor with information technology (IT) equipment and IT services or IT access as identified in the solicitation or subsequently as identified in the contract or delivery order. Government furnished IT equipment, or IT services, or IT access may include but is not limited to computers, copiers, facsimile machines, printers, pagers, software, phones, Internet access and use, and email access and use. The contractor (including the contractor's employees, consultants and subcontractors) shall use the government furnished IT equipment, and / or IT provided services, and/ or IT access solely to perform the necessary efforts required under the contract. The contractor (including the contractor's employees, consultants and subcontractors) are prohibited from engaging or using the government IT equipment and government provided IT services or IT access for any personal use, misuse, abuses or any other unauthorized usage.

The contractor is responsible for monitoring its employees, consultants and subcontractors to ensure that government furnished IT equipment and/ or IT services, and/ or IT access are not being used for personal use, misused or abused. The government reserves the right to withdraw or suspend the use of its government furnished IT equipment, IT services and/ or IT access arising from contractor personal usage, or misuse or abuse; and/ or to disallow any payments associated with contractor (including the contractor's employees, consultants and subcontractors) personal usage, misuses or abuses of IT equipment, IT services and/ or IT access; and/ or to terminate for cause the contract or delivery order arising from violation of this provision.

#### **A.6 COMPLIANCE WITH U.S. IMMIGRATION LAWS AND REGULATIONS**

NRC contractors are responsible to ensure that their alien personnel are not in violation of United States Immigration and Naturalization (INS) laws and regulations, including employment authorization documents and visa requirements. Each alien employee of the Contractor must be lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151 or must present other evidence from the Immigration and Naturalization Services that employment will not affect his/her immigration status. The INS Office of Business Liaison (OBL) provides information to contractors to help them understand the employment eligibility verification process for non-US citizens. This information can be found on the INS website, <http://www.ins.usdoj.gov/graphics/services/employerinfo/index.htm#obl>.

The NRC reserves the right to deny or withdraw Contractor use or access to NRC facilities or its equipment/services, and/or take any number of contract administrative actions (e.g., disallow costs, terminate for cause) should the Contractor violate the Contractor's responsibility under this clause.

(End of Clause)

STATEMENT OF WORK  
DELIVERY ORDER NO. DR-09-03-127  
UNDER GSA FSS CONTRACT NO. GS-23F-9832H

A. Background

Since the passage of the Chief Financial Officers Act of 1990, the Nuclear Regulatory Commission (NRC) must comply with new Federal financial accounting standards and reporting requirements. The Office of the Chief Financial Officer (OCFO) of the NRC requires a contractor to assist in the preparation of the quarterly and annual financial statements and compilation documentation, perform certain general ledger account reconciliations, and provide financial management advice and guidance concerning new and emerging accounting issues.

B. Task Requirements

The Contractor shall provide qualified personnel to complete the following tasks. The Contractor shall perform the services described in paragraphs 1 through 2 below on a firm fixed price basis. The services described in paragraph 3 are to be performed on a labor hour, task ordering basis.

1. Financial Statement Preparation
  - A. The Contractor shall assist in the preparation of NRC's quarterly and annual unaudited financial statements and accompanying footnotes from the appropriate general ledger account balances as recorded in the agency's Accounting System, in accordance with OMB Bulletin 01-09, Form and Content of Agency Financial Statements. The following draft financial statements shall be prepared: Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Financing, and Statement of Budgetary Resources.
  - B. The Contractor shall assist in the preparation of the necessary audit adjustments to the financial statements, including suggested general ledger postings, for review and approval of the Project Officer.
  - C. The Contractor shall provide compilation work papers (with proper referencing) to support the financial statement balances.

2. Account Reconciliation

A. Equipment Inventory

The Contractor shall determine value by direct review and analysis of payment documents and maintain detailed accounting data (e.g. contract invoices, receiving reports) sufficient for support of the general ledger property account balances. The Contractor shall prepare adjustments to the general ledger property accounts as necessary and reconcile the ledger with the Division of Administrative Services' (DAS) property management system inventory. The Contractor shall develop a depreciation schedule reflecting the amounts to be charged monthly. Following the close of each month, the Contractor shall provide: (a) a list of discrepancies identified between the DAS system and the detailed

accounting property system; (b) a list of adjustments for the general ledger and for the DAS system; (c) a summary of the effect on the general ledger account balances; (i.e., adjustments, ending balance) and, (d) an analysis of chronic problems and recommended solutions. Following the close of each quarter, the Contractor shall provide a detailed financial equipment inventory including the current period depreciation schedule.

B. ADP Software Inventory

The Contractor shall determine the value of Automatic Data Processing (ADP) contractor-developed and off-the-shelf software by direct review and analysis of payment documents (invoices) and maintain detailed accounting data sufficient to support the general ledger ADP capitalized software account balances and the associated monthly amortization expense. Following the close of each month, the Contractor shall provide: (a) a list of adjustments to the general ledger ADP property accounts as necessary; (b) a summary of the effect on the general ledger account balances, and, (c) an analysis of chronic problems and recommended solutions. Following the close of each quarter, the Contractor shall provide a detailed financial ADP software inventory including the current period amortization schedule. Prepare annual survey of ADP software to determine status of current software and acquisitions of new software.

C. Leasehold Inventory

The Contractor shall determine the value of leasehold improvements by direct review and analysis of payment documents and maintain detailed accounting data sufficient for support of the general ledger capitalized leasehold improvement account balances and the associated monthly amortization expense.

Following the close of each month the Contractor shall provide: (a) a list of adjustments to the general ledger leasehold improvement accounts as necessary; (b) a summary of the effect on the general ledger account balances; and, (c) an analysis of chronic problems and recommended solutions. Following the close of each quarter, the Contractor shall provide a detailed financial leasehold improvement inventory including the current period amortization schedule.

D. Payroll

The Contractor shall review payroll data for each pay period maintained in the payroll system and reconcile with the payroll recorded in the general ledger by account and object class. Following the close of each month, the Contractor shall provide: (a) a list of adjustments to the general ledger ; (b) a summary of the effect on the general ledger account balances; and (c) an analysis of chronic problems and recommended solutions

E Cash Reconciliation Review

The Contractor shall review the cash reconciliation report each month to assure accuracy, timeliness, and completeness. Following the close of each month, the Contractor shall provide a summary of any problems encountered and suggested corrective action.

F Deposit Clearing Account Review

The Contractor shall review the deposit and clearing account reconciliation each month to ensure accuracy, timeliness and completeness. Following the close of each month, the Contractor shall provide a summary of any problems encountered and suggested corrective action.

G General Clearing Account Review

The Contractor shall perform general review and oversight of all general ledger accounts to ensure accuracy. In addition to the accounts specifically outlined above, the Contractor may be required to perform monthly reviews of other general ledger accounts containing material account balances. The review should be thorough enough to ensure that year-end compilation work papers can be accomplished without major adjustments.

3. Financial Management Advice And Guidance

A. The Contractor shall advise the Division of Accounting and Finance (DAF) concerning the affects on the annual financial statements of new and emerging issues (e.g. revisions to Statements of Federal Financial Accounting Standards) and will assist on implementing guidance published by Federal oversight agencies.

B. The Contractor shall perform internal control reviews and provide realistic recommendations on how to correct identified financial weaknesses and assist with the implementation of the corrective actions.

C. The Contractor shall perform various reviews to include, but not limited to the following Biennial review of administrative charges; and Assessment of Management Controls for Part 170 Quarterly Bills. The NRC Project Officer shall provide direction on specific work to be performed. These reviews may result in recommendations for improvements to internal controls and/or systems.

D. The Contractor shall review, revise, or develop operating procedures and policy for the DAF as directed by the NRC Project Officer.

C. Labor Categories/Personnel Qualifications

It is expected that the following four (4) labor categories shall be required under this order: (1) Partner; (2) Manager; (3) Senior Accountant; and (4) Accountant. It is expected that the Firm's Partner shall be required to review financial compilations and other major work products. In addition, the Partner shall be required to provide much of the advice and guidance described in Section 2.C, Leasehold Inventory. The Manager shall be required to provide supervision to the Senior and Junior Accountants. The Senior Accountant shall be required to perform the more complex tasks to be ordered under this contract

The Contractor shall provide personnel that meet the minimum qualifications stated below.

- A. Partner. The Partner shall possess a four-year degree in Accounting and be a Certified Public Accountant. The Partner shall have ten years of experience in Accounting, of which five years should have been gained in Federal Government Accounting assisting in the preparation of Chief Financial Officer Act Financial Statements.
- B. Manager. The Manager shall possess a four-year degree in Accounting and be a Certified Public Accountant. The Manager shall have five years of experience in Accounting, of which three years should have been gained in Federal Government Accounting.
- C. Senior Accountant. The Senior Accountant shall possess a four-year degree in Accounting, have two years of experience in Accounting, and be a CPA or CPA Candidate.
- D. Accountant. The Accountant shall possess a four-year degree in Accounting, and have less than two years of experience in Accounting.

D. Deliverables

See page below.

D. Deliverables, continued

The Contractor shall provide deliverables identified below according to the following schedule:

<u>Task</u>	<u>Description</u>	<u>Date Due</u>
1	Financial Statement Preparation	See schedule below
2	Account Reconciliation	Within 10 business days after the close of the monthly accounting period
3	Financial Management Advice and Guidance	Deliverable dates will be included in specific labor hour task order

## Deliverable dates for financial statements

Fiscal Year	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Annual
2003	January 30, 2003	April 30, 2003	July 30, 2003	October 15, 2003
2004	January 15, 2004	April 15, 2004	July 15, 2004	October 8, 2004
2005	January 15, 2005	April 15, 2005	July 15, 2005	October 8, 2005
2006	January 15, 2006	April 15, 2006	July 15, 2006	October 8, 2006
2007	January 15, 2007	April 15, 2007	July 15, 2007	October 8, 2007

Note: Above dates are subject to change. In addition, for the annual audited financial statements, interim deliverables will be required based on audit milestone schedule.

### E. Performance Requirements Summary

<u>Performance Requirement</u>	<u>Performance Standard</u>	<u>Performance Incentive</u>
Preparation of Quarterly and Annual Financial Statements and corresponding Compilation Work-papers.	Financial Statements prepared in accordance with OMB Form and Content guidance and other statutory requirements; Statements completed with accurate, correct, and complete data by the due date specified in the schedule of deliverables; Compilation work-papers are complete and provide necessary support for data presented on the statements.	Full (100%) Payment
	Financial Statements lack conformity to statutory guidelines; Statements are completed after specified due date, and/or are inaccurate/incomplete; Compilation work-papers are incomplete and do not satisfy requirements.	80% Payment
Prepare monthly reconciliation of the specified General Ledger accounts	Account reconciliations are prepared within 30 days after the close of the accounting period; Listing of adjustments are prepared; Problems summarized, Corrective action plan suggested.	Full (100%) Payment
	Account reconciliations are not completed by the prescribed deliverable date,	80% Payment

Listing of adjustments is  
Inaccurate/incomplete;  
Problems are not  
completely identified and  
reported;  
Corrective action plan not  
included.

TERMS AND CONDITIONS FOR  
DELIVERY ORDER NO. DR-09-03-127  
UNDER GSA FSS CONTRACT NO. GS-23F-9832H

DELIVERY ORDER CLAUSES - the following three (3) clauses are only applicable for work to be performed under the SOW in Section B.3., Financial Management Advice and Guidance

1. ORDERING (FAR 52.216-18) (only applicable for work to be performed under the SOW in Section B.3., Financial Management Advice and Guidance)
  - (a) Any supplies and services to be furnished under this procurement shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from January 1, 2003 through March 31, 2003.
  - (b) All delivery orders or task orders are subject to the terms and conditions of this procurement. In the event of conflict between a delivery order or task order and this procurement, the delivery order shall control.
  - (c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.
2. ORDER LIMITATIONS (FAR 52.216-19) (only applicable for work to be performed under the SOW in Section B.3., Financial Management Advice and Guidance)
  - (a) Minimum Order. When the Government requires supplies or services covered by this procurement in an amount of less than 8 labor hours, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.
  - (b) Maximum Order. The Contractor is not obligated to honor--
    - (1) Any order for a single item in excess of the estimated ceiling amount of the delivery order;
    - (2) Any order for a combination of items in excess of the estimate ceiling amount of the delivery order; or
    - (3) A series of orders from the same ordering office within days that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) above.
    - (4) If this is a requirements procurement (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.
  - (c) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order is

returned to the ordering office within five (5) business days after issuance, with written notice stating the Contractor's intent not to provide the services called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

3. INDEFINITE QUANTITY (FAR 52.216-22) (only applicable for work to be performed under the SOW in Section B.3., Financial Management Advice and Guidance)

- (a) This is an indefinite-quantity procurement for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this procurement.
- (b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."
- (c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- (d) Any order issued during the effective period of this procurement and not completed within that period shall be completed by the Contractor within the time specified in the order. The procurement shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the deliver order's effective period; provided, that the Contractor shall not be required to make any deliveries under this procurement after March 31, 2003.

4. OPTION TO EXTEND THE TERM OF THE CONTRACT (DELIVERY ORDER) (FAR 52.217-9)

- (a) The Government may extend the term of this contract (delivery order) by written notice to the Contractor two days prior to delivery order expiration; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the delivery order expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended delivery order shall be considered to include this option clause.
- (c) The total duration of this delivery order, including the exercise of any options under this clause, shall not exceed five (5) years.

#### 4. SECURITY CLEARANCES

The Contractor shall ensure that contractor personnel shall obtain a security clearance at the established level necessary to allow contractor personnel to proceed unescorted to the designated place of work within NRC facilities.

#### 5. SITE ACCESS BADGE REQUIREMENT (NRCAR 2052.204-71)

During the life of this procurement, the rights of ingress and egress for contractor personnel must be made available, as required, provided that a badge is issued after favorable adjudication from the Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS). In this regard, all contractor personnel whose duties under this procurement require their presence on-site shall be clearly identifiable by a distinctive badge furnished by the Government. The Project Officer shall assist the Contractor in obtaining the badges for the Contractor personnel. It is the sole responsibility of the Contractor to ensure that each employee has a proper Government-issued identification/badge at all times. All prescribed identification must be immediately (no later than three days) delivered to PERSEC/DFS for cancellation or disposition upon the termination of employment of any contractor personnel. Contractor personnel must have this identification in their possession during on-site performance under this contract. It is the Contractor's duty to assure that Contractor personnel enter only those work areas necessary for performance of contract work, and to assure the safeguarding of any Government records or data that Contractor personnel may come into contact with.

#### 6. SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY SERVICES

The proposer/contractor must identify all individuals and propose the level of Information Technology (IT) approval for each, using the following guidance. The NRC sponsoring office shall make the final determination of the level, if any, of IT approval required for all individuals working under this contract.

The Government shall have and exercise full and complete control over granting, denying, withholding, or terminating building access approvals for individuals performing work under this contract.

##### CONTRACT SECURITY REQUIREMENTS FOR IT LEVEL I

Performance under this delivery order will involve prime Contractor personnel, subcontractors or others who perform services requiring direct access to or operate agency sensitive information technology systems or data (IT Level I).

The IT Level I involves responsibility for the planning, direction, and implementation of a computer security program; major responsibility for the direction, planning, and design of a computer system, including the hardware and software; or the capability to access a computer system during its operation or maintenance in such a way that could cause or that has a relatively high risk of causing grave damage, or the capability to realize a significant personal gain from computer access. Such

Contractor personnel shall be subject to the NRC contractor personnel security requirements of NRC Management Directive (MD) 12.3, Part I, which is hereby incorporated by reference and made a part of this order as though fully set forth herein, and will require a favorably adjudicated Limited Background Investigation (LB1).

A Contractor employee shall not have access to NRC facilities, sensitive information technology systems or data until s/he is approved by Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS) first for temporary access (based on a favorable adjudication of their security forms and checks) and final access (based on a favorably adjudication LB1) in accordance with the procedures found in NRC MD 12.3, Part I. The individual will be subject to a reinvestigation every 10 years.

Within fifteen (15) calendar days following award of the order, execution of a modification, or proposal of new personnel for work to be performed, the Contractor shall submit a completed security forms packet, including the SF-68, "Questionnaire for National Security Positions," and fingerprint charts, through the Project Officer to PERSEC/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The Contractor shall assure that all forms are accurate, complete, and legible (except for part 2 of the questionnaire, which is required to be completed in private and submitted by the individual to the Contractor in a sealed envelope), as set forth in MD 12.3. Based on PERSEC review of the applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility under the provisions of MD 12.3. Any questions regarding the individual's eligibility for IT Level I approval will be resolved in accordance with the due process procedures set forth in MD 12.3, Exhibit 1 and E.O. 12968.

In accordance with NRCAR 2052.204-70, "Security," IT Level I, Contractors shall be subject to the attached NRC Form 187 (Attachment 3 to be completed upon award) which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g., bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems and data or other access to such systems and data; access on a continuing basis (in excess of 30 days) to NRC Headquarters controlled buildings or otherwise requires NRC photo identification or card-key badges.

#### **CONTRACT SECURITY REQUIREMENTS FOR IT LEVEL II**

Performance under this delivery order will involve contractor personnel that develop and /or analyze sensitive information technology systems or data or otherwise have access to such systems and data (IT Level II).

The IT Level II involves responsibility for the planning, design, operation, or maintenance of a computer system and all other computer or IT positions. Such Contractor personnel shall be subject to the NRC contractor personnel requirements

of MD 12.3, Part I, which is hereby incorporated by reference and made a part of this order as though fully set forth herein, and will require a favorably adjudicated Access National Agency Check with Inquiries (ANACI).

A Contractor employee shall not have access to NRC facilities, sensitive information technology systems or data until s/he is approved by PERSEC/DFS first for temporary access (based on a favorable review of their security forms and checks) and final access (based on a favorably adjudicated ANACI) in accordance with the procedures found in MD 12.3, Part I. The individual will be subject to a reinvestigation every 10 years.

Within fifteen (15) calendar days following award of the order, execution of a modification, or proposal of new personnel for work to be performed, the Contractor shall submit a completed security forms packet, including the SF-86, "Questionnaire for National Security Positions," and fingerprint charts, through the Project Officer to the NRC PERSEC/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The Contractor shall assure that all forms are accurate, complete, and legible (except for Part 2 of the questionnaire, which is required to be completed in private and submitted by the individual to the Contractor in a sealed envelope), as set forth in MD 12.3. Based on PERSEC review of the applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility under the provisions of MD 12.3. Any questions regarding the individual's eligibility for IT Level II approval will be resolved in accordance with the due process procedures set forth in MD 12.3, Exhibit 1 and E.O. 12968.

In accordance with NRCAR 2052.204-70, "Security," IT Level II contractors shall be subject to the attached NRC Form 187, which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g., bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems and data or other access to such systems and data; access on a continuing basis (in excess of 30 days) to NRC Headquarters controlled buildings; or otherwise requires NRC photo identification or card-key badges.

#### CANCELLATION OR TERMINATION OF IT ACCESS/REQUEST

When a request for investigation is to be withdrawn or cancelled, the Contractor shall immediately notify the project officer by telephone in order that s/he will contact the NRC Division of Security so that the investigation may be promptly discontinued. The notification shall contain the full name of the individual, and the date of the request. Telephone notifications must be promptly confirmed in writing to the Project Officer who will forward the confirmation to the NRC Division of Security. Additionally, the Division of Security must be immediately notified when an individual no longer requires access to NRC sensitive automated information systems and data, including the voluntary or involuntary separation of employment of an individual who has been

approved for, or is being processed for, access approval under the NRC Computer Personnel Security Program.

7. PRIVACY ACT (FAR 52.224-2)

The contractor agrees to:

- (a) Comply with the Privacy Act of 1974 (the Act) and the agency rules and regulations issued under the Act in the design, development, or operation of any system of records on individuals to accomplish an agency function when the contract specifically identifies -
  - (1) The systems of records; and
  - (2) The design, development, or operation work that the contractor is to perform;
- (b) Include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a system of records on individuals that is subject to the Act; and
- (c) Include this clause, including this paragraph (3) in all subcontracts awarded under this contract which requires the design, development, or operation of such a system of records.
  - (1) In the event of violations of the Act, a civil action may be brought against the agency involved when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency when the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act, when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor is considered to be an employee of the agency.
    - (2)(a) "Operation of a system of records," as used in this clause, means performance of any of the activities associated with maintaining the system of records, including the collection, use, and dissemination of records.
    - (b) "Record," as used in this clause, means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and that contains the person's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a fingerprint or voice-print or a photograph.
    - (c) "System of records on individuals," as used in this clause, means a group of any records under the control of any agency from which information is retrieved by the

name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

9. KEY PERSONNEL (NRCAR 2052.215-70)

- (a) The following individuals are considered to be essential to the successful performance of the work hereunder:

Partner (2 personnel)  
Manager (2 personnel)  
Senior Accountant (1 personnel)  
Accountant (3 personnel)

The Contractor agrees that personnel may not be removed from the contract work or replaced without compliance with paragraphs (b) and (c) of this section.

- (b) If one or more of the key personnel, for whatever reason, becomes, or is expected to become, unavailable for work under this contract for a continuous period exceeding 30 work days, or is expected to devote substantially less effort to the work than indicated in the proposal or initially anticipated, the Contractor shall immediately notify the Contracting Officer and shall, subject to the concurrence of the Contracting Officer, promptly replace the personnel with personnel of at least substantially equal ability and qualifications.
- (c) Each request for approval of substitution(s) must be in writing and contain a detailed explanation of the circumstances necessitating the proposed substitution. The request must also contain a complete resume for the proposed substitute and other information requested or needed by the Contracting Officer to evaluate the proposed substitution. The Contracting Officer and the Project Officer shall evaluate the Contractor's request and the Contracting Officer shall promptly notify the Contractor of his or her decision in writing.
- (d) If the Contracting Officer determines that suitable and timely replacement of key personnel who has been reassigned, terminated, or has otherwise become available for the contract work is not reasonably forthcoming, or that the resultant reduction of productive effort would be so substantial as to impair the successful completion of the contract or the service order, the contract may be terminated by the Contracting Officer for default or for the convenience of the Government, as appropriate. If the Contracting Officer finds the Contractor at fault for the condition, the contract price or fixed fee may be equitably adjusted downward to compensate the Government for any resultant delay, loss, or damage.

10. PROJECT OFFICER AUTHORITY - ALTERNATE 1 (NRCAR 2052.215-71)

(b) The Contracting Officer's authorized representative, hereinafter referred to as the Project Officer, for this contract is:

Name: Robert E. Rakowski

Address: U.S. Nuclear Regulatory Commission  
General Accounting Branch  
Division of Accounting  
Office of the Chief Financial Officer  
Mail Stop T-9-F-3  
Washington, DC 20555

Telephone Number: (301) 415-7340

(c) The Project Officer shall:

- (1) Place delivery orders for items required under this delivery order up to the amount obligated on the contract award document.
- (2) Monitor contractor performance and recommend changes in requirements to the Contracting Officer.
- (3) Inspect and accept products/services provided under the delivery order.
- (4) Review all contractor invoices/vouchers requesting payment for products/services provided under the contract document and make recommendations for approval, disapproval, or suspension.
- (5) Immediately notify the Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS) (via E-mail) when a Contractor employee no longer requires access authorization and return the individual's badge to PERSEC/DFS within three (3) days after his/her termination.

(c) The Project Officer may not make changes to the express terms and conditions of this contract document.

PERIOD OF PERFORMANCE

The period of performance will be from date of order award for a base period of 3 months, i.e., January 1, 2003 through March 31, 2003, with four (4) one-year option periods, and one (1) nine-month option period. The NRC reserves the right not to exercise the option years.

SCHEDULE OF PRICES FOR BASE PERIOD  
 DELIVERY ORDER NO. DR-09-03-127  
 UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein.

A. BASE PERIOD (3 MONTHS), 01/01/03 - 03/31/03

<u>Item</u>	<u>Service</u>	<u>Qty</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B 1)	[REDACTED]	[REDACTED]	\$ 71,031
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$106,545
SUBTOTAL				\$177,576

As shown below, no labor hours were estimated for Financial Management Advice and Guidance (B.3) for the three-month base period:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	0 hours	\$0	\$0
4.	Manager	0 hours	\$0	\$0
TOTAL ESTIMATED CEILING PRICE (MAXIMUM QUANTITY)				\$177,576

SCHEDULE OF PRICES FOR OPTION NO. 1  
 DELIVERY ORDER NO. DR-09-03-127  
 UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein.

OPTION NO 1, 04/01/03 - 03/31/04

<u>Item</u>	<u>Service</u>	<u>Qty.</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B.1)	[REDACTED]	[REDACTED]	\$285,888
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$428,832
SUBTOTAL				\$714,720

Labor hours are estimated for Financial Management Advice and Guidance (B.3) for Option No. 1 as follows:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED] s	[REDACTED]	\$34,792
	January 1 - March 31	[REDACTED] s	[REDACTED]	\$11,886
4.	Manager	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED] s	[REDACTED]	\$85,533
	January 1 - March 31	[REDACTED]	[REDACTED]	\$29,225
TOTAL ESTIMATED CEILING PRICE				\$876,157

SCHEDULE OF PRICES FOR OPTION NO. 2  
DELIVERY ORDER NO. DR-09-03-127  
UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein.

OPTION NO. 2, 04/01/04 - 03/31/05

<u>Item</u>	<u>Service</u>	<u>Qty.</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B.1)	[REDACTED]	[REDACTED]	\$293,016
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$439,524
SUBTOTAL				\$732,540

Labor hours are estimated for Financial Management Advice and Guidance (B.3) for Option No. 2 as follows:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED]	[REDACTED]	\$35,659
	January 1 - March 31	[REDACTED]	[REDACTED]	\$12,184
4.	Manager	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED]	[REDACTED]	\$87,675
	January 1 - March 31	[REDACTED]	[REDACTED]	\$29,957
TOTAL ESTIMATED CEILING PRICE				\$898,014

SCHEDULE OF PRICES FOR OPTION NO. 3  
 DELIVERY ORDER NO. DR-09-03-127  
 UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein.

OPTION NO. 3, 04/01/05 - 03/31/06

<u>Item</u>	<u>Service</u>	<u>Qty.</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B.1)	[REDACTED]	[REDACTED]	\$300,348
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$450,528
			SUBTOTAL	\$750,876

Labor hours are estimated for Financial Management Advice and Guidance (B.3) for Option No. 3 as follows:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED]	[REDACTED]	\$36,551
	January 1 - March 31	[REDACTED]	[REDACTED]	\$12,489
4.	Manager	[REDACTED]	[REDACTED]	
	April 1 - December 31	[REDACTED]	[REDACTED]	\$89,870
	January 1 - March 31	[REDACTED]	[REDACTED]	\$30,705
TOTAL ESTIMATED CEILING PRICE				\$920,490

SCHEDULE OF PRICES FOR OPTION NO. 4  
 DELIVERY ORDER NO. DR-09-03-127  
 UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein

OPTION NO. 4, 04/01/06 - 03/31/07

<u>Item</u>	<u>Service</u>	<u>Qty.</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B.1)	[REDACTED]	[REDACTED]	\$307,860
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$461,784
			SUBTOTAL	\$769,644

Labor hours are estimated for Financial Management Advice and Guidance (B.3) for Option No. 4 as follows:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	[REDACTED]	[REDACTED]	
	April 1 - December 31			\$37,466
	January 1 - March 31			\$12,801
4.	Manager	[REDACTED]	[REDACTED]	
	April 1 - December 31			\$92,117
	January 1 - March 31			\$31,472
TOTAL ESTIMATED CEILING PRICE				\$943,500

SCHEDULE OF PRICES FOR OPTION NO. 5  
DELIVERY ORDER NO. DR-09-03-127  
UNDER GSA FSS CONTRACT NO. GS-23F-9832H

Services described in Section B.1 (Financial Statement Preparation) through B.2 (Account Reconciliation) of the SOW shall be performed on a firm, fixed-price basis. Section B.3 (Financial Management Advice and Guidance) shall be performed on a labor-hour, task-ordering basis. Individual task orders will be negotiated based on a fixed, level-of-effort against the labor rates identified herein.

OPTION NO. 5 (9 MONTHS), 04/01/07 - 12/31/07

<u>Item</u>	<u>Service</u>	<u>Qty.</u>	<u>Fixed Monthly Price</u>	<u>Total Yearly Price</u>
1.	Financial Statement Preparation (B.1)	[REDACTED]	[REDACTED]	\$235,188
2.	Account Reconciliation (B.2)	[REDACTED]	[REDACTED]	\$352,782
			SUBTOTAL	\$587,970

Labor hours are estimated for Financial Management Advice and Guidance (B.3) for Option No. 5 as follows:

<u>Item</u>	<u>Labor Category</u>	<u>Estimated Level of Effort</u>	<u>Labor Rate</u>	<u>Total</u>
3.	Partner	[REDACTED]	[REDACTED]	\$ 38,404
4.	Manager	[REDACTED]	[REDACTED]	\$101,160
TOTAL ESTIMATED CEILING PRICE				\$727,534