



BLANKET PURCHASE AGREEMENT
GSA FEDERAL SUPPLY SCHEDULE

In the spirit of the Federal Acquisition Streamlining Act, the Department of the Treasury and Ernst & Young, LLP enter into this Blanket Purchase Agreement (BPA) to further reduce the administrative costs of acquiring repetitive services from the General Services Administration (GSA) Federal Supply Schedule (FSS), Financial and Business Solutions (FABS) Contract GS-23F-8152H.

Federal Supply Schedule BPAs eliminate contracting and open market costs such as: the search for sources; the development of technical documents and solicitations; and the evaluation of bids and offers. Contractor Team Arrangements are permitted with Federal Supply Schedule contractors in accordance with Federal Acquisition Regulation (FAR) Subpart 9.6 and are encouraged.

This BPA will further decrease costs, reduce paperwork and save time by eliminating the need for repetitive, individual purchases from the Schedule contract. The end result is to create a purchasing mechanism for the Government that works better and costs less.

SIGNATURES:

Department of the Treasury

Julianne L. Odend'hal

Contracting Officer

Department of the Treasury

Departmental Offices

Procurement Services Division

1500 Pennsylvania Avenue, NW

(MS: 1425 New York Avenue, Suite 2100)

Washington, DC 20220

202-622-0804 (P)

202-622-2343 (F)

Date: 10-18-2008

Ernst & Young, LLP

Tom Horton

Executive Director

1101 New York Avenue, NW

Washington, DC, 20005

202-327-7366 (P)

866-427-2881 (F)

tom.horton@ey.com

Date: 10.18.08

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Pursuant to GSA Federal Supply Schedule Contract Number GS-23F-8152H, the Contractor agrees to the following terms of a Blanket Purchase Agreement (BPA) exclusively with the Department of the Treasury and for use by the Department of the Treasury.

- (1) All services/products currently listed on your GSA schedule, to include new service/products added during the performance of this BPA can be ordered under this BPA in support of the requirements as set forth in this BPA. All orders placed against this BPA are subject to the terms and conditions of the BPA, except as noted below:

See Attachment No. 1 – Ernst & Young’s Price Quotation, dated October 14, 2008

See Attachment No. 2 – Ernst & Young’s Technical Quotation, dated October 14, 2008

Exceptions to the aforementioned quotations:

- (a) Under Attachment No. 1, Price Quotation, Deliverable(s) Approval. All deliverable approvals and timelines under this BPA will be established by the Government on a task order basis.
- (b) Under Attachment No. 2, Technical Quotation, Mitigation Plan for Organizational Conflict of Interest, the proposed language that reads, “Should a potential conflict be identified by Ernst & Young or the Treasury in considering or undertaking performance of the services under a resultant Task Order, in the interest of protecting the integrity of both parties Ernst & Young reserves the right to decline to accept or perform any task order where either Ernst & Young or the Treasury determines that a potential or actual conflict of interest exists.” The Government takes exception to any interpretation of this statement that would provide Ernst & Young with a unilateral right to decline task order work. Treasury may waive potential or other identified conflicts of interest and require that the Contractor perform task order work under this BPA. Failure to proceed with task order work under these circumstances may be cause to terminate this BPA.
- (2) Delivery:

DESTINATION DELIVERY SCHEDULE/DATES

Assigned upon issuance of individual task/delivery orders.

- (3) This BPA does not obligate any funds. The Government is obligated only to the extent authorized by task orders issued under this BPA. The BPA is established to fill recurring requirements.
- (4) Purchase limitation: There is no dollar limitation for each individual purchase. The contractor’s discounted labor rates, as set forth in Attachment 1, are incorporated into the BPA. The contractor may not exceed the discounted rates set forth in Attachment 1 during performance of any task order. However, further discounts may be negotiated per task/delivery order. Regardless of the size of the task/delivery order the contractor is encouraged to offer additional discounts.

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- (5) This BPA expires on **September 30, 2011** or upon expiration and non-renewal of the contractor's GSA contract. The BPA can be cancelled by the Government at any time. The Contractor shall provide all resources necessary to perform services in accordance with the requirements specified herein. The BPA will consist of the following periods of performance:

BPA PERIOD OF PERFORMANCE			
YEAR 1	Award	Through	09/30/2009
YEAR 2	10/01/2009	Through	09/30/2010
YEAR 3	10/01/2010	Through	09/30/2011

All Office of Financial Stability (OFS) requirements will be fulfilled on a task order basis. Individual task orders placed under this BPA may be issued on a firm fixed-price or time-and-materials basis, or any combination thereof.

- (6) The following office is hereby authorized to issue task orders under this BPA:

Department of the Treasury
Departmental Offices
Procurement Services Division

- (7) Task Orders will be issued against this BPA via e-mail, FAX, or paper.
- (8) Unless otherwise agreed to, all deliveries under this BPA must be accompanied by delivery tickets or sales slips that must contain the following information as a minimum:
- (a) Name of Contractor;
 - (b) BPA Number;
 - (c) GSA Contract Number;
 - (d) Task/Delivery Order Number;
 - (e) Date of Issuance of Task Order
 - (f) Quantity, Unit Price, and Extension of Each Item (unit prices and extensions need not be shown when incompatible with the use of automated systems; provided, that the invoice is itemized to show the information); and

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(9) The requirements of a proper invoice are as specified in the Federal Supply Schedule contract. Invoices will be submitted to the address specified within the task/delivery order transmission issued against this BPA.

(10) The terms and conditions included in this BPA apply to all task orders issued against it. In the event of an inconsistency between the provisions of this BPA and the task order, the provisions of this BPA will take precedence.

(11) The Contractor's conflict of interest mitigation plan, as set forth in Attachment 2, is specifically incorporated in this BPA and shall be in full effect throughout the life of the BPA.

(12) The terms of this BPA and those in Attachment 4 shall take precedence over Attachments 1 and 2.

*IMPORTANT -- A new feature to the Federal Supply Schedules Program permits contractors to offer price reductions in accordance with commercial practice. Contractor Team Arrangements are permitted with Federal Supply Schedule contractors in accordance with FAR Subpart 9.6 and are encouraged.

- Attachment No. 1 Ernst & Young's Price Quotation, dated October 14, 2008 (Redacted)
- Attachment No. 2 Ernst & Young's Technical Quotation, dated October 14, 2008 (Redacted)
- Attachment No. 3 Statement of Work
- Attachment No. 4 Conflicts of Interest and Non-Disclosure Requirements

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SPECIAL BPA PROVISIONS/CLAUSES

1.1 FAR 52-252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This BPA 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 assessed electronically at www.arnet.gov.

52.207-3 - Right of First Refusal of Employment (MAY 2006)

1.2 AUTHORITY – CONTRACTING OFFICER (CO), CONTRACTING OFFICER’S TECHNICAL REPRESENTATIVE (COTR)

1.2.1 Contracting Officer (CO)

The CO for award of this Blanket Purchase Agreement is:

Dwight W. Stephens
Department of the Treasury, Departmental Offices
Procurement Services Division
1425 New York Avenue, 2nd Floor
1500 Pennsylvania Avenue, NW
Washington, DC 20220
(202) 622-0632
dwight.stephens@do.treas.gov

The CO, in accordance with Subpart 1.6 of the Federal Acquisition Regulation, is the only person authorized to make or approve any changes in any of the requirements of this BPA.

Task/Delivery Orders: The Administrative Contracting Officer (ACO) within the Department of the Treasury is authorized to issue task orders against this BPA. The ACO for issuance and administration of individual task orders will be assigned by letter prior to the issuance of the first order against the BPA.

The CO, in accordance with Subpart 1.6 of the Federal Acquisition Regulation, is the only person authorized to make or approve any changes to any of the requirements of a task order, and notwithstanding any clauses contained elsewhere in this BPA, said authority remains solely with the CO. In the event the Contractor makes any changes at the direction of any person other than the CO, the change will be considered to have been made without authority and no adjustment will be made in the task order price to cover any increase in cost incurred as a result thereof.

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1.2.2. DTAR 1052.201-70 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR) DESIGNATION AND AUTHORITY (MAR 2002)

(a) The COTR is:

TBD on Task Order Basis.

(b) Performance of work under this BPA must be subject to the technical direction of the COTR identified above, or a representative designated in writing. The term technical direction" includes, without limitation, direction to the contractor that directs or redirects the labor effort, shifts the work between work areas or locations, fills in details and otherwise serves to ensure that tasks outlined in the work statement are accomplished satisfactorily.

(c) Technical direction must be within the scope of the specification(s)/work statement. The COTR **does not** have authority to issue technical direction that:

(1) constitutes a change of assignment or additional work outside the specification(s)/work statement;

(2) constitutes a change as defined in the clause entitled "Changes";

(3) in any manner causes an increase or decrease in the contract price, or the time required for contract performance;

(4) changes any of the terms, conditions, or specification(s)/work statement of the contract;

(5) interferes with the contractor's right to perform under the terms and conditions of the contract; or

(6) directs, supervises or otherwise controls the actions of the contractor's employees.

(d) Technical direction may be oral or in writing. The COTR shall confirm oral direction in writing within five work days, with a copy to the contracting officer.

(e) The contractor shall proceed promptly with performance resulting from the technical direction issued by the COTR. If, in the opinion of the contractor, any direction of the COTR, or his/her designee, falls within the limitations in (c), above, the contractor shall immediately notify the contracting officer no later than the beginning of the next Government work day.

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(f) Failure of the contractor and the contracting officer to agree that technical direction is within the scope of the contract shall be subject to the terms of the clause entitled Disputes."

(End of clause)

1.2.3. Key Personnel

(a) Below are the name(s) of the persons proposed to be assigned the responsibility for success of the work product(s). The below listed individuals are designated as "Key Personnel".

<u>EMPLOYEE</u> <u>NAME</u>	<u>POSITION</u> <u>TITLE/FUNCTIONAL AREAS</u>
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Names and Titles Redacted

(b) The individuals named above shall be recommended by the Contractor in its proposal and subject to approval by the Government prior to award. These individuals shall be in responsible positions so as to allocate and control personnel.

(c) The Contractor shall identify and propose critical or senior-level Contractor staff assigned to this BPA.

(d) For planned Key Personnel replacements, the Contractor shall provide the Government with a minimum of 30 calendar days advance notice. Substitutions or additions to approved key personnel under this BPA shall not be accepted unless specifically approved in writing by the Contracting Officer or a Contracting Officer Technical Representative. Any substitutions and/or additions shall be subject to the terms and conditions of this clause.

(e) All notification requests for substitutions and additions must provide a justification and detailed explanation of the circumstances necessitating the proposed substitution or addition, a

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complete resume for the proposed substitute or addition, and any other information requested by the Contracting Officer needed to approve or disapprove the request. Resumes submitted shall identify the education and experience of the Key Personnel candidate(s) relative to the contract position proposed. At a minimum, resumes shall include the name of the candidate, contract position and labor category level proposed, experience, education, and citizenship status. All proposed substitutes and additions must have qualifications equal to or better than the person to be replaced.

(f) The Contracting Officer or his authorized representative will evaluate such requests and promptly notify the contractor of the approval or disapproval thereof.

1.3 SECURITY SCREENING REQUIREMENTS FOR ACCESS TO SENSITIVE BUT UNCLASSIFIED SYSTEMS OR INFORMATION

Security screening requirements will be determined at the task order level.

(a) In addition to complying with any functional and technical security requirements set forth in the schedule and elsewhere in this BPA, the Contractor shall request that the Government initiate personnel screening checks and provide signed user nondisclosure agreements, as required by this clause, for each contractor employee requiring staff-like access (e.g. unescorted or unsupervised physical access or electronic access), specified at the task order level, to limited or controlled areas, systems, programs and data.

(b) The Contractor shall submit a properly completed set of investigative request processing forms for each such employee in compliance with instructions to be furnished by the Contracting Officer or his/her designated representative.

Applicable forms will be furnished to the Contractor at time of award.

(c) Depending upon the nature of the type of investigation necessary, it may take a period up to several months to complete complex personnel screening investigations. At the discretion of the Government, background screening may not be required for employees with recent or current favorable Federal Government investigations. To verify the acceptability of a non-Treasury, favorable investigation, the Contractor shall submit the forms or information needed, according to instructions furnished by the Contracting Officer.

(d) When contractor employee access is necessary prior to completion of personnel screening, each contractor employee requiring access may be considered for escort access. The Contractor shall promptly submit all requests for approval for escort access to the Contracting Officer or his/her designated representative so as not to endanger timely contract performance.

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(e) The Contractor shall ensure that each contractor employee requiring access executes any nondisclosure agreements required by the Government prior to gaining staff-like access. The Contractor shall provide signed copies of the agreements to the Site Security Officer (SSO) for inclusion in the employee's security file. The Government will provide the name and location of the SSO after contract award. Unauthorized access is a violation of law and may be punishable under the provisions of Title 5 U.S.C. 552a, Executive Order 12356; Section 7211 of Title 5, United States Code (governing disclosures to Congress); Section 1034 of Title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); Section 2302(b)(8) of Title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including Sections 641, 793, 794, 798, and 952 of Title 18, United States Code, and Section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. Section 783(b)) and other applicable statutes.

(f) The Contractor shall notify the Contracting Officer's Technical Representative (COTR) or the Site Security Officer no later than the end of the day of the termination for cause of an authorized employee's access. The Contractor shall notify the COTR no later than ten days after an authorized employee no longer requires access for any other type of termination. Verbal notifications shall be confirmed in writing within thirty days.

1.4 IDENTIFICATION/BADGING REQUIREMENTS

During the period of this contract, access to Department of the Treasury facilities for contractor representatives shall be granted as deemed necessary by the Government. All contractor employees whose duties under this contract require their presence at any Treasury, or Treasury Bureau facility shall be clearly identifiable by a distinctive badge furnished by the Government. In addition, corporate identification badges shall be worn on the outer garment at all times. It is the sole responsibility of the Contractor to provide this corporate identification. Upon the termination of the employment of any contractor personnel working on this contract, all government-furnished identification shall be returned to the issuing office. All on-site contractor personnel shall abide by security regulations applicable to that site.

1.5 SECTION 508 COMPLIANCE

The Contractor must provide a comprehensive list of all offered specific electronic and information technology (EIT) products (supplies and services) that fully comply with Section 508 of the Rehabilitation Act of 1973, per the 1998 Amendments, and the Architectural and Transportation Barriers Compliance Board's Electronic and Information Technology

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Accessibility Standards at 36 CFR Part 1194. The Contractor must clearly indicate where this list with full details of compliance can be found (e.g., contractors or other exact web page location). The contractor must ensure that the list is easily accessible by typical users beginning five calendar days after award. The contractor must maintain this detailed listing of compliant products for the full contract term, including all forms of extensions, and must ensure that it is current within three calendar days of changes to his product line.

The contractor must ensure that all EIT products that are less than fully compliant are offered pursuant to extensive market research, which ensures that they are the most compliant products and services available to satisfy this solicitation's requirements.

For every EIT product accepted under this contract by the Government that does not comply with 36 CFR Part 1194, the contractor shall, at the discretion of the Government, make every effort to replace or upgrade it with a compliant equivalent product or service, if commercially available and cost neutral, on either the planned refresh cycle of the product or service, or on the contract renewal date, whichever shall occur first.

1.6. ADMINISTRATIVE INSTRUCTIONS.

1.6.1 Requests For Payment/Submission Of Invoices.

a. Contractor may submit an invoice once every thirty (30) days to the Contracting Officer Technical Representative (COTR). The contractor shall have the invoice certified by the COTR. The contractor's invoice will be for one month. The contractor shall invoice only for the hours, travel and Other Direct Costs (ODCs) that are in direct support of contractor's efforts in performing the task/delivery order SOW. Hours in such invoice shall be identified by task/phase and by labor category. The amounts for labor shall be computed by multiplying the appropriate hourly rates prescribed in the Schedule by the number of direct labor hours performed with applicable discounts. Fractional parts of an hour may be payable on a prorated basis. Contractor shall substantiate vouchers by evidence of actual payment and by individual daily job timecards, or other substantiation as approved by the Contracting Officer. Government will not reimburse for overtime other than based on what was originally proposed and accepted at time of issuance of order and as indicated in the Schedule. ODCs and travel costs shall be identified by task/phase and shall include all necessary documentation supporting the charge(s). A copy of the government's document(s) accepting the covered services must accompany invoices submitted for payment. A copy of the invoice will be submitted to the addresses identified in the task/delivery order to the contracting officer at the same time it is submitted to the program manager. **Failure to comply with the procedures outlined above may result in payment being delayed.**

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b. Invoices are to be emailed as soon as possible after the end of each calendar month to:

1. www.contractorpay@do.treas.gov;
2. Contracting Officer; and
3. COTR.

Submittal to “contractorpay” is considered the official invoice submittal; and it is through “contractorpay” that prompt payment compliance is tracked. Each copy of each invoice shall clearly identify the Contractor’s Taxpayer Identification Number (TIN). The Contractor shall assure that a responsible official of the company signs the following statement on each invoice:

“I certify that the services listed above have been performed in accordance with the contract and those personnel hours or other costs are true, correct, and have not been previously billed.”

Typed Name and Signature

The BPA Number shall be typed on each invoice. Payment will be made in accordance with the Prompt Payment Act (see FAR 52.232-25 Prompt Payment).

The invoice shall be approved by the Contracting Officer’s Technical Representative (COTR). If requested by the Government, time cards or time sheets for each employee shall be provided as evidence of hours worked by each employee by Internal Work Order. The time card or time sheet will indicate the date worked, number of hours worked, and the hourly rate for each employee.

All follow-up invoices shall be marked “Duplicate of Original”. Contractor questions regarding payment information should be directed to the COTR.

The Contractor shall provide the COTR with an advance (pre-submittal) version of the invoice for review.

1.7 PERFORMANCE MONITORING

The Government shall monitor and evaluate the contractors overall performance and service delivery.

The Government may convene an Assessment Board to review, analyze, and evaluate the contractor’s performance. The Board will also determine the disposition of extending each performance period, using the data, analysis, and evaluation performed. The Board membership will include:

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- a) Contracting Officer,
- b) Contracting Officer's Technical Representative, and
- c) Treasury OFS Management Staff.

1.8 STAFFING PLAN

The contractor shall maintain and annually update the Staffing Plan initially submitted in the contractor's proposal. The staffing plan shall layout the approach, practices, and staffing to accomplish the requirements of this BPA as well as the specific requirements set forth in each Task Order. As such, the plan shall relate the staffing allocations by organizational or function units of the contractor team. Roles and functions shall be defined to substantiate the labor categories proposed and the level of effort anticipated. The staffing plan shall address such attributes as key personnel, personnel security and administration of personnel security, retention and training of personnel, approach to personnel changes, and development of personnel. As part of this staffing plan, there shall be a detailed staffing chart listing the labor categories by the proposed organizational identities. For each labor category there shall be an indication of the number of FTE's by contract year.

1.9 HOLIDAYS

OBSERVANCE OF LEGAL HOLIDAYS AND EXCUSED ABSENCES

- a) The Government hereby provides NOTICE and Contractor hereby acknowledges RECEIPT that Government personnel observe the listed days as holidays:

New Years Day	January 1
Martin Luther King's Birthday	Third Monday in January
President's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas	December 25
Inauguration Day	January 20 every four years

- b) In addition to the days designated as holidays, the Government observes the following days:
 - Any other day designated by Federal Statute;

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Any other day designated by Executive Order; and
Any other day designated by the President's Proclamation.

- c) It is understood and agreed between the Government and the Contractor that observances of such days by Government personnel shall not otherwise be a reason for an additional period of performance, or entitlement of compensation except as set forth within the individual Task Order. In the event the Contractor's personnel work during the holiday, they may be reimbursed by the Contractor, however, no form of holiday or other premium compensation will be reimbursed either as a direct or indirect cost, other than their normal compensation for the time worked. This provision does not preclude reimbursement for authorized premium pay, if applicable to this contract as stated in its individual Task Orders.
- d) When the Federal, State, Local and other governmental entities grants excused absence to its employees, assigned Contractor personnel may also be dismissed. The Contractor agrees to continue to provide sufficient personnel to perform critical tasks already in operation or scheduled, and shall be guided by the instructions issued by the COTR.
- e) In the event that Treasury personnel are furloughed, the contracting officer or the COTR will communicate contractual direction to the contractor regarding performance of work.
- f) Nothing in this clause abrogates the rights and responsibilities of the parties relating to "stop work" provisions as cited in other sections of this contract. Primarily, work shall be performed at the Department of the Treasury facility or, upon approval, facilities within the Washington, D.C. metropolitan area. Occasional work may be performed at other field activity locations, including disaster recovery and/or continuity of operations locations. No locality differential payments are applicable to this contract.

1.10 TASK ORDERS

The following ordering procedures shall apply to all Task Orders (TOs) issued under this BPA. In addition:

- a) Only an authorized Government Contracting Officer can issue a TO under this BPA.
- b) All TO's are subject to the terms and conditions of the BPA. In the event of conflict between a TO and the GSA contract, the contract will take precedence.
- c) All costs associated with preparation, presentation, and/or discussion of the Contractor's TO proposal shall be at the Contractor's expense; post award TO administration (including applicable personnel cost allocations by TO) shall also be at the Contractor's expense.
- d) No work will be performed and no payment will be made except as authorized by a signed Task Order.

1.11 IDENTIFICATION/BADGING REQUIREMENT

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During the period of this contract, access to Government facilities for contractor representatives shall be granted as deemed necessary by the Government. All Contractor employees, whose duties under this contract require their presence at any Treasury, or Treasury Bureau, facility, shall be clearly identifiable by a distinctive badge furnished by the Government. In addition, corporate identification badges shall be worn on the outer garment at all times. It is the sole responsibility of the Contractor to provide this corporate identification. Upon the termination of employment of any contractor personnel, all Government furnished identification shall be returned to the issuing office. All on-site contractor personnel shall abide by security regulations applicable to that site. The Contractor shall administer and maintain an internal accounting of its personnel relative to badges requested, lost and returned. The accounting shall be provided to the COTR in the quarterly program review or as mutually agreed upon.

1.12 PHYSICAL SECURITY

Physical security is the action taken to protect Treasury information resources (e.g., installations, personnel, equipment, electronic media, documents, etc) from damage, loss, theft, or unauthorized physical access. The Contractor shall be alert for and establish means to mitigate potential unauthorized access to these resources or potential internal or external acts of sabotage on these resources while under the Contractor's custody. The Contractor shall:

- a) Comply with all pertinent facility regulations and procedures for Federal agencies, unless the Government grants a waiver.

Make recommendations for improving protection for Contractor staff if there is a security issue.

- b) Promptly report unlawful acts committed on or against property under the charge and control of their contract. All such reports should be submitted through the COTR to the Treasury Chief Information Security Officer or designee.

1.13 INFORMATION SAFEGUARDS AND PRACTICES

The Contractor shall be responsible for compliance with Treasury for policy and practice regarding the storage and removal of electronic and printed materials considered sensitive in nature (i.e., system password and user identification access codes) from printers, desktops, laptops, furniture, presentation equipment, and any other form of information housing. This is so that the information is not accessible by unauthorized personnel and so that disposal follows Treasury information security practices. The contractor must ensure that contractor, subcontractor, or business partner personnel protect all sensitive and secure documents to the extent possible from either inadvertent or deliberate compromise.

1.14 SUPERVISION OF CONTRACTOR'S EMPLOYEES

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- a) Personnel assigned to render services under this contract shall at all times be employees of the Contractor and under the direction and control of the Contractor Notwithstanding any other provisions of this contract, the Contractor shall at all times be responsible for the supervision of its employees in the performance of the service required hereunder.
- b) During all times on government premises, the contractor's personnel shall comply with the rules and regulations governing conduct of personnel and operation of the facility.
- c) If the contractor plans to employ any Non-English speaking personnel, he shall provide an on-site bi-lingual supervisor to serve as an interpreter.
- d) Contractor personnel shall not at any time during the contract period be employees of the U.S. Government.

1.15 ADVERTISEMENTS, PUBLICIZING AWARDS AND NEWS RELEASES

Under no circumstances shall the Contractor, or anyone acting on behalf of the Contractor, refer to the supplies, services, or equipment furnished pursuant to the provisions of this contract in any publicity/ news release or commercial advertising without first obtaining explicit written consent to do so from the Contracting Officer. The Contracting Officer and COTR will coordinate requests for written consent through the Treasury Office of Public Affairs.

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Federal Government or is considered by the Government to be superior to other products or services.

1.16 FIDUCIARY DUTY

The Contractor agrees that it shall have a fiduciary duty to the Government in its performance under this contract.

-----END OF BPA AGREEMENT-----

Department of Treasury
Statement of Work
ACCOUNTING SUPPORT SERVICES

1.0 Objective

The objective of this Performance Work Statement is to provide the Department of the Treasury with Accounting Support Services.

2.0 Background

In furtherance of its mission to ensure the safety and soundness of the U.S. financial system, and to implement the Emergency Economic Stabilization Act of 2008 (Act), the Treasury is establishing a program to purchase and insure a variety of troubled assets.

Specific assets acquired for the portfolio may include (i) securitized products, including Prime, Alt-A, and Subprime residential mortgage backed securities (MBS), home equity backed instruments, commercial MBS, and MBS collateralized debt obligations, and (ii) whole loans, including residential first mortgages, home equity loans, commercial real estate loans, and construction and building loans. In addition, the Treasury may decide to include other types of asset backed securities, and other obligations in the portfolio as necessary to promote market stability.

Consistent with the purposes of the Act, the Treasury's policy goals for the portfolio of troubled mortgage-related assets are to (1) provide stability and prevent further disruption to the financial markets and banking system, (2) ensure mortgage availability and (3) protect the interests of taxpayers. The portfolio mandate and specific investment strategies may change over time but will always be consistent with these policy goals.

By acquiring, managing, and orderly liquidating the troubled assets over time, the Treasury seeks to improve the capital positions of financial institutions, reduce risk premiums in the market, improve liquidity and credit extension in the financial system, increase investor confidence, and provide market participants with more price transparency.

3.0 Scope

The scope of the services required is accounting support for the Department of the Treasury's Office of Financial Stability (OFS). To support the above office, the contractor must have expertise in the area of Credit Reform Accounting, based on the Statement of Federal Financial Accounting Standards 2: Accounting for Direct Loans and Loan Guarantees, the Office of Management and Budget (OMB) Circular A-11, and the Treasury Financial Manual; relevant experience in complex accounting transactions related to direct loans, loan guarantees, mortgage backed securities, equity

investments including preferred stock, and insurance related to loan guarantees; contractor should have relevant experience in supporting government sponsored entities or similar types of organizations.

4.0 Anticipated Work

- 4.1 Assist in performing Credit Reform Accounting including but not limited to direct loans and loan guarantees in accordance with generally accepted accounting principles with a high level of expertise and a strong knowledge of the Federal Credit Reform Act 1990 (The Act). This includes but is not limited to assisting in providing the proper budgetary and proprietary accounting for the 3 main accounts required by Credit Reform Accounting – Program Account; Financing Account; and Receipt Account.
- 4.2 Provides advice on emerging accounting issues related to Credit Reform Accounting and assistance/support in developing applicable policy and guidance.
- 4.3 Assist in preparing or reviewing the appropriate accounting journal entries related to Credit Reform Accounting transactions.
- 4.4 Assist in performing accounting for equity investments in financial institutions and government sponsored enterprises with a high level of expertise in conformance with generally accepted accounting principles.
- 4.5 Assist in validating present value estimates per The Act and Statement of Federal Financial Accounting Standards statement #2 – Accounting for Direct Loans and Loan Guarantees and Technical Releases #3 and #6.
- 4.6 Assist in reviewing the Subsidy models estimates for loan programs, direct loan guarantees and other transactions impacted by Credit Reform Accounting to determine adequacy and accuracy.
- 4.7 Assist in ensuring cash flow/subsidy models meet all existing requirements of The Act, Office of Management and Budget (OMB) directives, and Federal Accounting Standards Advisory Board (FASAB) standards, statements, technical releases and other requirements.
- 4.8 Assist in streamlining and automating credit reform modeling processes.
- 4.9 Assist in performing all transaction level and summary level reconciliations to ensure the general ledger (both proprietary and budgetary accounts) and related subsidiary systems are in balance.
- 4.10 Assist in developing and implementing appropriate internal accounting controls, ensuring compliance with OMB Circular A-123, within the processes and systems impacted.
- 4.11 Assist in preparing all relevant Treasury level reports including but not limited to the Treasury Report on Receivables (TROR).
- 4.12 Assist and support in preparation of monthly, quarterly, and annual financial statements including credit reform foot notes.

- 4.13 Assist and support in preparation of inputs to the Performance and Accountability Report, concerning OFS activities.
- 4.14 Perform other accounting and budgetary analyses and reports as required.
- 4.15 Assist in documenting systems of internal accounting control as needed.
- 4.16 Provide advice on accounting treatment by financial institutions (including broker-dealers, commercial banks, credit unions, thrifts, insurance companies, etc) of their ownership of mortgage-backed securities (MBS) and whole mortgage loans and possibly other types of troubled assets
- 4.17 Provide advice on the implications of a sale of MBS, whole loans or other troubled assets on the capital position of selling financial institutions as well as the capital impacts on financial institutions who do not participate in the sale
- 4.18 Review specific proposed MBS or whole mortgage loan transactions (up to 10 types) and advise on approaches to mitigating unintended consequences on participating financial institutions and non-participating third parties

5.0 Deliverables for individual task orders

Deliverable	Due Date
Project Plan	10 days after award
Weekly Status Report Including: Updated Project Plan, Contract Issues, List of Current Contractor Personnel, List of Government Furnished Equipment (GFE)	Day of the Week determined by COTR
Monthly BPA and Task Order Performance Meeting	To occur sometime during the last week of every month or less if required by COTR.

6.0 Performance Requirements Summary

6.1 Quality Assurance Tools

The following tools will be used to verify that all deliverables and deadlines are met at the task order level:

- Draft and final deliverables
- Weekly status reports

- Monthly contract performance meeting

7.0 TASK MANAGEMENT

7.1 Project Management Plan

A Project Management Plan (PMP) is necessary for defining all tasks from inception to close-out and to track resource allocation to the defined tasks. PMP is also necessary to avoid and reconcile potential resource conflicts, identify dependencies, and track progress through to completion. In developing the proposed PMP, the Contractor shall include the specific performance measures that are relevant to this contract. A final PMP is due with each task order proposal submitted and will take effect upon award of the task order. Along with the Contractor's proposed measures, performance under this contract will be evaluated according to the following measures:

- Deliverables are received at or prior to dates specified in the final project plan; and
- A project risk register with a mitigation strategy is updated weekly.

7.2 Personnel Management

7.2.1 Key Personnel

The offer shall propose key personnel required under this BPA and as part of task order awards under individual task orders.

7.2.2 Business Hours and Coverage

The work under this BPA, when possible, will be performed within the normal business hours of 8:00am - 6:00pm (EST) Monday through Friday. Under special circumstances, the contractors may be required to work outside normal business hours. The Contracting Officer's Technical Representative (COTR) must approve exceptions to the normal business hour schedule in advance.

8.0 PLACE OF PERFORMANCE

The Contractor shall perform the majority of task order activities at Department of the Treasury space unless otherwise directed. The Treasury office space is located at the Main Treasury Building (corner of Fifteenth Street and Pennsylvania Avenue NW, Washington DC) and Metropolitan Square (corner of Fourteenth Street and G Street NW, Washington DC). The COTR must approve any off-site work. No travel is expected under this BPA.

9.0 PERIOD OF PERFORMANCE

The period of performance for this BPA is from the date of award through three years.

10.0 CONTRACT TYPE

This will be Blanket Purchase Agreement under which Treasury will award Firm-Fixed Price or Time and Material Task Orders.

11.0 GOVERNMENT FURNISHED INFORMATION & RESOURCES

The Department of the Treasury will provide access to the local network for email and document creation necessary to perform the activities outlined in this contract.

12.0 SECTION 508 COMPLIANCE

All applicable sections of Section 508 apply to this task, including 1194.21 Software applications and operating systems; 1194.22 Web-based Intranet & Internet information; 1194.25 Self contained, closed products; 1194.31 Functional performance criteria; 1194.41 Information, documentation, and support.

CONFLICTS OF INTEREST

- (a) Among other situations, a Contractor may be deemed to have a conflict of interest if the Contractor or any related entity (1) has a personal, business, or financial interest or relationship that could adversely affect the Contractor's or any related entity's ability to perform the Contract or to represent the best interests of the Treasury Department; (2) is or represents a party in litigation with the Treasury Department; (3) is, seeks to be, or represents a participant in the Troubled Asset Relief Program as defined in the Emergency Economic Stabilization Act of 2008; or (4) engages in any other activity that would cause a reasonable person to question the integrity or objectivity of the Contractor or related entity. For purposes of this clause, a "related entity" is any proposed or actual subcontractor or consultant; the Contractor's management officials and proposed or actual key personnel; and any individual, entity, or affiliate that controls or is controlled by or is under common control with the Contractor.
- (b) The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to any potential conflict of interest as defined above, or that the Contractor has disclosed all relevant information concerning any past, present or planned interests bearing on whether it (through itself or any related entity(ies)) may have a potential conflict of interest.
- (c) The Contractor warrants that all related entities have been informed of their obligation to report any potential or actual conflicts of interest as defined above.
- (d) The Contractor is responsible for notifying the Treasury Department of any actual or potential conflict of interest that arises after award of the Contract. The Contractor agrees that if an actual or potential conflict of interest (through itself or any related entity(ies)) arises or is discovered after award of the Contract, the Contractor shall make a full disclosure in writing to the Contracting Officer within five (5) days after learning of the actual or potential conflict. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict of interest.
- (e) The Contracting Officer may impose appropriate constraints to avoid, mitigate or neutralize any actual or potential conflict of interest. The Contracting Officer may terminate this Contract for convenience, in whole or in part, if he or she deems such terminations necessary to avoid a conflict of interest. If the Contractor was aware of a potential conflict of interest prior to award or discovered an actual or potential conflict after award and did not timely disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the Contract for default, recommend suspension or debarment of the Contractor from Government contracting, or pursue such other remedies as may be permitted by law or by this Contract. The Government may terminate the Contract for default if the Contractor fails to implement and follow any

appropriate constraints imposed by the Contracting Officer to avoid, mitigate, or neutralize any actual or potential conflict of interest.

(f) Throughout the term of the Contract, Contractor shall warrant annually, in writing to the Contracting Officer, that (i) no conflicts or potential conflicts of interest exist (through itself or any related entity(ies)), or that they have been disclosed or mitigated (ii) all related entities have been informed of their obligation to report any potential or actual conflicts of interest, and (iii) Contractor understands agrees to its continuing obligation to search for and to report any actual or potential conflicts of interest. Such annual warranty shall cover the one-year period from the date of Contract award, and all subsequent certifications shall cover successive annual periods thereafter, until expiration or termination of the Contract. The certification must be received by the Contracting Officer no later than forty-five (45) days after the close of the certification period covered.

(g) The contractor shall include this clause in all subcontracts, consultant agreements, and in lower tier subcontracts unless a waiver is requested from, and granted by, the Contracting Officer.

(h) The Treasury Department intends, pursuant to section 108 of the Emergency Economic Stabilization Act of 2008, to issue additional regulations or guidelines concerning conflicts of interest. If such regulations or guidelines differ from or expand upon the conflict of interest provisions included in this Contract, the Contractor agrees to negotiate in good faith the inclusion of the different or additional provisions. If agreement between the parties cannot be reached, the Government may terminate this contract for convenience. Nothing in this paragraph, however, shall limit the Treasury Department's rights under the Changes clause of this Contract.

NON-DISCLOSURE

(a) The Contractor recognizes that, in performing this Contract, the Contractor may obtain access to non-public information that is confidential or proprietary in nature. Except as permitted by the Contract, the Contractor agrees that it, its employees, its subcontractors, consultants, and its subcontract or consultant employees will not disclose to any third party, or otherwise use, any information it obtains or prepares in the course of performance of this agreement for any purpose other than to perform work under the Contract without first receiving written permission from the Contracting Officer. The Contractor shall secure information received from or prepared or gathered for the Treasury Department under this Contract in a secure location with access limited to only those personnel with a "need to know."

(b) The Contractor agrees to obtain confidentiality agreements from all of its employees working on requirements under this Contract. Such agreements shall contain provisions

which stipulate that each employee agrees that the employee will not disclose, either in whole or in part, to any person or entity other than the Treasury Department and the Contractor, any information or data provided by the Government or obtained by the Contractor under this contract without first obtaining the written permission of the Contracting Officer. Such agreements shall be effective for the life of the contract and for a period of five (5) years after completion of the contract.

(c) All information gathered by the contractor including but not limited to reports, research and electronic files shall become the property of the Treasury Department. Notwithstanding any other provision of this Contract, neither the Contractor nor any consultant or subcontractor shall make any claim of copyright nor any other ownership interest in any of the information gathered under this Contract for the Treasury Department. The Contractor shall ensure that all information gathered or prepared by the Contractor including but not limited to reports, research and electronic files are not released to any third parties without prior written authorization from the Contracting Officer.

(d) Upon expiration or termination of the Contractor's engagement, all documents and records covered by this clause will be disposed of in accordance with the Contracting Officer's instructions. The Contractor's duty with respect to the covered information shall survive the expiration or termination of this Contract.

(e) If an unauthorized disclosure occurs, the Government may terminate the Contract, for default or convenience, or pursue such other remedies as may be permitted by law or by this Contract.

(f) The Contractor agrees to insert, in any subcontract or consultant agreement placed under the contract, provisions which shall conform substantially to the language of this clause, unless otherwise authorized by the Contracting Officer.