

Enterprise Services Center Financial Management Services Franchise Agreement

PROVIDER: U.S. Department of Transportation
Federal Aviation Administration
Enterprise Services Center
Mike Monroney Aeronautical Center
P.O. Box 25082, Oklahoma City, OK 73125

CUSTOMER: U.S. Consumer Product Safety Commission
4330 East-West Highway
Bethesda, MD 20814

I. PURPOSE

- A. The Enterprise Services Center (ESC) will maintain for U.S. Consumer Product Safety Commission (CPSC) a separate, complete and identifiably distinct set of books on the ESC's Oracle Federal Financials system, which is fully Office of the Management and Budget (OMB)/Financial Systems Integration Office (FSIO) compliant. ESC will also provide partial accounting services as identified in Appendix A.
- B. CPSC identified above has requested that ESC provide the goods and services identified in 1A above and elaborated in Appendix A and B.

II. SCOPE AND DELIVERY

- A. ESC will maintain for CPSC a separate, complete and identifiably distinct set of books on the ESC's Oracle Federal Financials system. This includes various enterprise licensing (e.g., Kintana, Sarbanes-Oxley Compliance, and similar), support for Oracle Federal Financials, conversion, global configuration, hosting, help desk, training and upgrades according to the current DOT Form 2300.1a and at the rate(s) specified in the DOT Form 2300.1a current at the time of scheduling. This does not include licensing for Oracle Federal Financials. ESC will also provide partial accounting services, to include all transactions described in Appendix A.
- B. Optional items and any other changes to the project will be subject to a change order. A change order can be initiated by either party, and is to contain a complete description of the change, the impact to schedule, resources and costs, payment provision, and must be signed by CPSC's Contracting Officer and an authorized ESC representative.
- C. This agreement and the modifications to it provide the basis for funding, invoicing, and payment for transactions identified by this agreement and its modifications. Additional funding commitments as a result of changes in the agreement and the dollar amounts identified may be added to the agreement by modification. Such commitments shall be documented by a written modification to this agreement (See Article IV) and incorporated herein. Modifications shall be

signed by CPSC's Contracting Officer and an authorized ESC representative, and shall be accomplished in accordance with Article IV of this agreement.

III. RESOURCE COMMITMENT

A. ESC agrees that:

1. Sufficient resources are available to provide the goods or services identified in I.A. above.
2. FAA, MMAC, ESC will provide quarterly invoicing to CPSC reflecting dollars collected against funds allocated and identified on the attached DOT Form 2300.1A.
3. Status reports will be provided to CPSC as reasonably requested.

B. CPSC agrees that:

1. Funds equal to the amount listed on the attached DOT Form 2300.1A are available to ESC to carry out its obligations identified in this agreement.
2. A contact point and/or representative(s) will be designated, in writing at the time of the signing of this agreement, to coordinate activities including schedules, resource requirements, equipment needs, property requirements, etc., with ESC. The contact point/representative shall be authorized to, among other things, resolve issues relating to billings, transfers of funds, invoices, and any other dispute that may arise as a result of the performance of this agreement.
3. It will pay or cause to be paid to ESC, within 30 days of the invoice date, any and all amounts invoiced on behalf of ESC in accordance with this agreement and any modifications hereto. CPSC shall identify to ESC, within 60 days of its receipt of the invoice, any disputes regarding invoicing procedures and/or amounts. Any dispute(s) regarding invoicing shall be resolved in accordance with Article X of this agreement.
4. It will provide ESC with as much lead-time as reasonably practical regarding any anticipated resource requirements.
5. It will provide reports and briefings, as reasonably requested, by ESC.
6. It will document, in writing, all requirements relative to this agreement, any order(s) placed in accordance with this agreement, and any modification(s) to this agreement.
7. It has the necessary and appropriate legal authority to enter into this agreement with ESC.
8. CPSC has made the determination that it is in the Government's best interest to fulfill or satisfy these requirements through the ESC IAW FAR 17.5

IV. AMENDMENTS, CHANGES, MODIFICATIONS

- A. Any and all changes and/or modifications to this agreement shall be in writing and shall be signed by an appropriately designated and authorized representative of each respective party acting within the scope of his/her authority. No oral statement by any person shall be interpreted as modifying or otherwise affecting the terms of this agreement. Any and all requests for interpretation and/or modification shall be made in writing. Modifications shall be sequentially numbered.
- B. The approval authorities for ESC and CPSC relating to any such changes, modifications are the following:

Federal Aviation Administration,
Enterprise Services Center
Mike Upton, Deputy Director
PO Box 25082
Oklahoma City, OK 73125

U.S. Consumer Product Safety Commission
Peter Nerret
4330 East-West Highway
Bethesda, MD 20814

- C. It is mutually understood and agreed by the parties that the estimated dollar amount to be spent by CPSC under this agreement is identified in the DOT Form 2300.1A attached. In the event actual dollar amounts differ from the estimates, ESC and CPSC mutually agree to adjust the dollar amount by written modification. Any additional funds due and owing either party as a result of any such modification shall be paid in a reasonable period of time.

V. EFFECTIVE DATE AND PERIOD OF AGREEMENT

Notwithstanding the dates of signature, the parties to this Agreement agree that the effective date of this Agreement is October 1, 2010. This agreement remains in effect through September 30, 2011 or until revoke in accordance with Article IX.

This agreement will result in a one (1) year base period of performance. This agreement includes four (4), one-year option periods. The bilateral, written option exercise may extend the effective period of this agreement for a period of one (1) calendar year from the date of the exercise. In any event, this agreement shall have a maximum effective period of five (5) calendar years from the date the agreement is exercised.

The parties acknowledge that fund obligations accruing to the parties and both of them out of this Agreement shall be accomplished in accordance with attachment 1, DOT F2300.1a, (Interagency/Intra-agency Agreement), and executed as between the parties. The parties acknowledge and mutually agree that that document as well as funding documents initiated by the customer in no way alters, amends, or modifies the obligations of the parties with respect to this Agreement. The parties further acknowledge and mutually agree that in the event of any conflict(s) between the document identified as an Interagency Agreement and this Franchise Agreement or other documents initiated by the customer, the terms and provisions of this Franchise Agreement shall be controlling and shall carry out the purpose(s) for which this Franchise Agreement is executed.

In addition to the forgoing and subject to funding availability, the effective period of this agreement may be extended for a period of up to ninety (90) calendar days to bridge performance hereunder until the appropriate agreement documentation can be entered into by the parties.

VI. PROPERTY ACQUISITIONS

Unless otherwise specified by modifications, any property acquired by ESC to perform work under this agreement shall become the property of ESC.

VII. REASONABLE CARE AND PROTECTION

ESC and CPSC mutually agree to exercise reasonable and appropriate care to protect from unauthorized disclosure to any third parties all intellectual property, proprietary and/or sensitive information and data that become available while fulfilling duties and obligations under this agreement. No information, oral or written, concerning pricing and terms of this agreement shall be published or released to any non-party without prior written approval of ESC and CPSC, except as provided by law.

VIII. AUTHORITY

The FAA authorities by which ESC enters into this agreement are:

- Public Law 104-205 (110 Stat.2957)
- FAA Order 2500.35D
- AMC-1 Franchise Fund Policy Statement, FY 2008-02 (06/09/2008)

The authorities by which CPSC enters into this agreement are:

- The Economy Act (31 U.S.C. 1535)
- FAR, subpart 17.5

IX. TERMINATION / REVOCATION

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party other than payment of amounts due and owing and performance of obligations accrued, in each case on or prior to the termination date by giving the other party at least thirty (30) days prior written notice of termination. Payment of amounts due and owing may include all costs reimbursable under this Agreement, not previously paid, for the performance of this Agreement before the effective date of the termination; the total cost of terminating and settling contracts entered into by the FAA for the purpose of this Agreement; and any other costs necessary to terminate this Agreement. Upon receipt of a notice of termination, the receiving party will take immediate steps to stop the accrual of any additional obligations, which might require payment. All funds due after termination will be netted against the advance payment and, as appropriate, a refund or bill will be issued.

X. DISPUTE RESOLUTION

Where possible, disputes will be resolved by informal discussion between the parties. If the parties are unable to resolve any disagreement through good faith negotiations, the dispute will be resolved pursuant to the procedures and standards of the Business Rules for Intragovernmental Transactions delineated in the Treasury Financial Manual, Volume 1, Bulletin 2007-03, Section VII.

X. FUNDING AND PAYMENT

CPSC agrees to pay ESC the firm-fixed prices for its performance and work required to service CPSC under the terms of this agreement as specified in Appendixes A and B.

The Delphi Annual ("Steady-State") and Accounting Services Annual costs are based on fixed unit pricing, subject to change from year to year.

In accordance with Public Law 104-205, ESC will process an advance and render monthly bills for costs as described in DOT Form 2300.1a.

Billing and payment for all annual costs as described in DOT Form 2300.1a will be accomplished by an Intra-governmental Payment and Collection (IPAC) transaction. Any adjustments to costs indicated in DOT Form 2300.1a may not be imposed without written notification to and written acceptance by CPSC prior to incurrence (as evidenced by a bi-lateral modification). Upon revocation or termination of the Agreement by CPSC for any cause, CPSC will reimburse ESC for all reasonable costs incurred to date and for reasonable termination expenses.

a. ESC billing(s) will be submitted to CPSC. The billing contact for CPSC is:

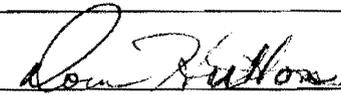
Name: ~~Gene Barber~~ Deborah Hodge
Office/Title: Accounting Officer
Address: U.S. Consumer Product Safety Commission Email: ~~gbarber@cpsc.gov~~ dhodge
4330 East-West Highway
Bethesda, MD 20814
Phone: 301.504.~~7203~~; fax 301.713.1535
Agency: ~~7130~~
Locator: 61000001

b. Payment shall be handled by an IPAC transaction. The billing contact for ESC is:

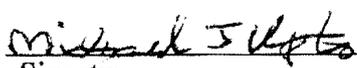
Location: Mike Monroney Aeronautical Center
Office: Office of Operational Services
Department: General Accounting, AMZ-300
Address: P.O. Box 25760
Oklahoma City, Oklahoma 73125-4915A
Phone: 405-954-4333 (fax 405-954-5322)

XI. APPROVALS

Contracting Officer, Donna Hutton
U.S. Consumer Product Safety Commission


Signature _____ Date 9/29/10

Michael J. Upton, Deputy Director
Enterprise Services Center
Mike Monroney Aeronautical Center


Signature _____ Date 8/23/2010

Interagency/Intra-agency Agreement

Parties to the Agreement

REQUESTING AGENCY/BUYER		SERVICING AGENCY/SELLER	
1A. Department	U.S. Consumer Product Safety Commission	1B. Department	Department of Transportation
2A. Agency		2B. Agency	Federal Aviation Administration
3A. Office		3B. Office	Office of Operational Services
4A. OBLIGATION NUMBER		4B. AGREEMENT NUMBER	
5A. Agency Location Code (ALC)	61-00-0001	5B. Agency Location Code (ALC)	69001104
6A. Data Universal Numbering Sys. # (DUNS)	069287522	6B. Data Universal Numbering Sys. # (DUNS)	809772007
7A. Tax Identification # (TIN)	520978750	7B. Tax Identification # (TIN)	730588975
8A. Treasury Approp. Fund Symbol (TAFS)	61110100	8B. Treasury Approp. Fund Symbol (TAFS)	69X4562
9A. Trading Partner Code	69170100	9A. Trading Partner Code	691200
10A. Accounting Classification Code	SAF	10A. Accounting Classification Code	

Points of Contact for the Agreement

REQUESTING AGENCY/BUYER		SERVICING AGENCY/SELLER	
11A. Finance Point of Contact		11B. Finance Point of Contact	
Name	Deborah Peebles Hodge 4330 East West Hwy	Name	Paige Teel PO Box 25082, AMZ-10
Address	Bethesda, MD 20814	Address	Oklahoma City, OK 73125
Phone	(301) 504-7130	Phone	405-954-5594
E-mail	dhodge@cpsc.gov	E-mail	paige.teel@faa.gov
12A. Program Point of Contact		12B. Program Point of Contact	
Name	Deborah Peebles Hodge 4330 East West Hwy	Name	Mike Upton PO Box 25082, AMK-2
Address	Bethesda, MD 20814	Address	Oklahoma City, OK 73125
Phone	(301) 504-7130	Phone	405-954-4333
E-mail	dhodge@cpsc.gov	E-mail	mike.upton@faa.gov

13. Period of Performance	14. Legal Authority
From (mm/dd/yy)	Public Law 104-205, DOT & Related Agencies Approp Act, 1997 (49 USC 40113);
10/1/2010	AMS Fast Toolbox T3.8.1.2
To (mm/dd/yy)	AMC-1 Franchise Fund Policy Statement, FY 2008-02
9/30/2011	

15. Total Agreement Amount (estimate)	16. Payment Terms and Schedule
\$ 397,170.00	Advance Payment Required

17. Brief Description of the Supplies, Services and Deliverables Required and Option Years, If Any
FY11 Delphi and Accounting Services
Accounting Services 214,053.00
Delphi System O&M 183,117.00
Total 397,170.00

This IAA represents the base year of the agreement.

Subject to Availability of Funding. Advances will be taken in accordance with continuing resolution guidelines. Upon approval of the DOT Appropriation, advances will be taken quarterly.

Authorized Approvals

REQUESTING AGENCY/BUYER		SERVICING AGENCY/SELLER	
18. Name and Title of Authorized Official	20. Name and Title of Authorized Official		
Donna Hutton, CPSC Contracting Officer	Mike Upton, Deputy Director, AMK-2		
Signature	Signature		
			
Date	Date		
9/29/10	9/23/2010		
19. Name and Title of Fund Certification Officer	21. Name and Title of Authorized Official		
Signature	Signature		
Date	Date		

FY2011**Appendix A – Statement of Work (SOW)**

Objective: The Shared Service Provider (SSP) shall provide system and operational support for an Office of Management and Budget (OMB) Financial Systems Integration Office (FSIO) approved financial management system for the U.S. Consumer Product Safety Commission, 4330 East-West Hwy., Bethesda, MD 20814. The system, processes and outcomes must comply with laws, regulations and policies as they relate to compliance with and improving the state of financial management in the Federal government. The SSP will be referred to as the SSP or contractor, interchangeably, throughout this statement of work.

Accounting Services:

ESC shall provide the following Accounting Services on behalf of CPSC, as applicable:

SLA 7.0 General Accounting**7.1 Cash Operations (CASH)**

- 7.1.1 Perform 224 Reconciliation
- 7.1.2 Research and Clear Statement of Difference (Non ESC created)
- 7.1.3 Perform Treasury Confirmations

7.2 Reconciliation (RECON)

- 7.2.1 Provide Metric Reports
- 7.2.2 Perform Month-end Close Processes and Procedures
- 7.2.3 Perform Reconciliation of subsidiary ledgers to the General Ledger
- 7.2.4 Provide OMB 1 and 2 indicators

SLA 8.0 Reports and Analysis Generation**8.1 Financial Reporting (FNRP)**

- 8.1.1 Prepare Financial Statements
- 8.1.2 Provide Audit Support
- 8.1.3 Provide Treasury Reports

SLA 9.0 Other Accounting**9.1 Payments Sweeping (PYMTSWP)**

- 9.1.1 Sweep Payments to Treasury
- 9.1.2 Provide Payment Certification
- 9.1.3 Validation of GovTrip Payments
- 9.1.4 Set Up Customers/ Suppliers

9.2 Control Setup (CTRLSTUP)

- 9.2.1 Perform setup in Projects Module - Values/Hierarchies, Auto Acctg Rules, Key Member setup
- 9.2.2 Perform setup in Accounts Receivable Module - Enhanced Transaction Codes, Define Interest Rates, as needed.
- 9.2.3 Perform setup in Accounts Payable Module - Enhanced Transaction Codes
- 9.2.4 Perform setup in Purchasing Module - Enhanced Transaction Codes
- 9.2.5 Perform setup in General Ledger - BEM Transaction Types/Transaction Codes, Summary Templates, Lockouts, Pay Codes, new SGL and Object Class
- 9.2.6 Perform setup/maintenance of Financial Statements
- 9.2.7 Perform setup of SF-133

9.2.8 Perform setup/maintenance of FACTS I and FACTS II tables

9.3 Month End and Year End Processing (ENDPROC)

9.3.1 Perform setup for Year end processing and New Year

9.3.2 Perform execution of Month End and Year end closing processes

9.4 1099 (1099PROC)

9.4.1 Produce the 1099, mail to vendors and transmit to IRS.

SLA 10.0 Systems Support

10.1 Delphi Customer Services (CUSTSRV5)

10.1.1 Customer Service Help Desk

10.1.2 Customer Service User Training

10.1.3 Systems Audit Support

10.1.4 Provide User Documentation

10.1.5 Business Process Support