

USAC Solicitation for Consulting Services to Support SLD PMO and BPO Change Management

SOLICITATION INFORMATION:

Method of Solicitation: Request for Proposal (RFP)
Award Effective Date: TBD
Contract Period of Performance: TBD
Solicitation Number: SL-18-104
Solicitation Issue Date: TBD
Offer Due Date: August 9, 2018 by 11:00 AM ET

CONTRACT TO BE ISSUED BY:

Universal Service Administrative Co.
 700 12th Street, NW, Suite 900
 Washington, DC 20005

CONTACT INFORMATION

USAC CONTACT INFORMATION	OFFEROR CONTACT INFORMATION
Becca Wray Procurement Team Lead P: 202-772-4544 E: bwray@usac.org	(complete) Name: _____ POC: _____ POC Title: _____ POC Phone: _____ POC Email: _____ Address: _____

OFFEROR SIGNATURE

Name and Title

Date

SECTION A:

About Us and the Work

I. Overview of the Project

The Universal Service Administrative Company (USAC) is seeking a collaborative, best-in-class contractor to provide consulting services to support USAC's Schools and Libraries Division (SLD) Business Process Outsourcing (BPO) operations through the establishment of the SLD Project Management Office (PMO). The SLD PMO will focus on several initiatives supporting SLD's transformation including: (1) potential transition of BPO operations to a new BPO vendor or implementation of key process changes with the incumbent BPO vendor under a new BPO services contract, (2) developing and updating training materials in support of BPO activities, and (3) assisting with development and implementation of quality assurance and process and procedural efficiencies.

Contractor's SLD PMO support is anticipated to take the form of five (5) to seven (7) personnel for up to an eighteen (18) month period.

II. Background

Through its administration of the Universal Service Fund (USF) programs on behalf of the Federal Communication Commission (FCC), USAC works to promote the availability of quality services at just, reasonable and affordable rates and to increase access to advanced telecommunications services throughout the nation. Specifically, the USF programs provide funding for the expansion of telecommunications and broadband access to rural communities and health care facilities (High Cost & Rural Health Care), schools and libraries across the country (Schools & Libraries), and low income households (Lifeline). Through program administration, auditing, and outreach, USAC works with contributors, service providers, and program beneficiaries to achieve the program goals articulated by the FCC for each of these programs.

The FCC has reformed the USF to support further investment in and access to evolving broadband infrastructure, making the programs a primary vehicle to support this critical national priority. USAC, as the administrator of the USF, plays a critical role in supporting the ambitious vision to ensure that all citizens in the United States have access to high-speed broadband. The organization has approximately 500 employees. USAC works in close partnership with the FCC and other federal and state partners to support the achievement of the USF program goals.

USAC strives to provide efficient, responsible stewardship of the programs, a key national asset in making important telecommunications and Internet services available to consumers, health care providers, schools, and libraries throughout the United States. The program divisions are supported by additional USAC personnel in Finance, General Counsel, Information Systems, Internal Audit, the Enterprise Program Management Office and Human Resources.

Consistent with FCC rules, USAC does not make policy for or interpret unclear provisions of statutes or the FCC's rules. Universal service is paid for by contributions from telecommunications carriers, including wireline and wireless companies, and interconnected Voice over Internet Protocol providers, including cable companies that provide voice service, based on an assessment of their interstate and international end-user revenues. These contributions are most typically passed through to consumers through a universal service fee line item on their telephone bills.

High Cost Program

The High Cost Program is dedicated to preserving and advancing voice and broadband service, both fixed and mobile, in rural areas of the United States. The High Cost Program ensures that rates for broadband and voice services are reasonably comparable in every region of the U.S. Like all USF programs, the administration of the High Cost Program has undergone significant modernization in the last several years to increase innovation and ensure beneficiaries have access to updated technology. USAC is leveraging the new High Cost Universal Broadband Portal ("HUBB"), which allows Carriers participating in modernized Connect America programs to file deployment data showing where they are building out mass-market, high-speed internet service by precise location. This information includes latitude and longitude coordinates for every location where service is available, and USAC will eventually display this information on a public-facing map to show the impact of Connect America funding on broadband expansion throughout rural America.

Low-Income (Lifeline) Program

The Lifeline Program provides a monthly discount on landline or wireless phone service to eligible low-income households. USAC works to ensure program integrity by making measurable and vital progress towards reducing program inefficiencies and waste while supporting the needs of Lifeline Program stakeholders through a detailed understanding of their challenges. To combat fraud, waste, and abuse, USAC reviews processes regularly to increase compliance, identify avenues for operational improvements, and refine program controls, such as audit processes. USAC has focused on data analytics to improve customer service and outreach approaches and increase the reach and effectiveness of the program to better serve service providers and subscribers. USAC is in the process of building the National Verifier, which will include the national Lifeline Eligibility Database to determine subscriber eligibility. USAC also operates the National Lifeline Accountability Database ("NLAD") which prevents duplicate subscribers from receiving support in the Lifeline program.

Rural Health Care (RHC) Program

The Rural Health Care Program supports health care facilities in bringing medical care to rural areas through increased connectivity. The Rural Health Care Program provides reduced rates for broadband and telecommunications services via the Healthcare Connect Fund Program and Telecommunications Program. These telecommunications and broadband services are necessary to support telemedicine and allow cutting edge solutions and treatments to be accessible to Americans residing in rural areas.

Schools and Libraries (E-rate) Program

The Schools and Libraries program helps schools and libraries obtain high-speed Internet access and telecommunications at affordable rates. Recent E-rate Modernization Reform efforts focused on broadband to and within schools and libraries to support a modern and dynamic learning environment for all students. In support of improved program outcomes, USAC's E-rate Productivity Center ("EPC") which enables electronic participation in the reformed Schools and Libraries Program. E-rate program funding helps ensure connectivity for schools and libraries across the country. USAC is investing in new tools and data analytics capabilities to support the success of the program in alignment with the FCC's goals.

Additional information on USF programs can be found at:

<http://www.usac.org/about/about/who-we-are/default.aspx>

Current State

Program management is critical to successful administration of the E-rate Program and requires that USAC and BPO vendor work together to perform reviews of E-rate Program applications and make funding commitment decisions and payments. All information submitted is subject to careful scrutiny for compliance with applicable rules. The review process is a complex, labor-intensive process that requires frequent contact with USAC Stakeholders in order to address issues and questions and ensure compliance with applicable regulations in an effective and efficient manner. Applications are reviewed according to detailed funding year-specific procedures to ensure compliance with FCC regulations, orders, appeals decisions, and other guidance.

Because of the complex nature of the program's rules and review processes, USAC is seeking project management consulting services focusing on (1) assisting with potential transition of BPO operations to a new BPO vendor or implement key process changes with the incumbent BPO vendor under a new BPO services contract, (2) developing and updating training materials in support of BPO activities, and (3) assisting with development and implementation of quality assurance and process and procedural efficiencies.

Goals/Objectives

The goals and objectives of the SLD PMO project are:

1. **CHANGE MANAGEMENT.** Assist with potential transition of BPO operations to a new BPO vendor or implement key contractual and process changes with the incumbent BPO vendor under a new BPO services contract.
2. **TRAINING.** Develop clear, comprehensive training materials in support of BPO activities.
3. **QUALITY ASSURANCE & PROCESS AND PROCEDURAL DEVELOPMENT.** Assist with development and implementation of quality assurance activities, process and procedural efficiencies, and procedural documentation.

SECTION B:

Requirements and Scope of Work

1. OVERVIEW

The E-rate Program helps ensure that eligible schools and libraries can obtain high-speed Internet access and telecommunications at affordable rates by providing discounts on eligible data transmission services and Internet access, internal connections, basic maintenance of internal connections, and managed internal broadband services and equipment. This program helps support over 200,000 schools and libraries. Eligible entities include nearly all public schools, many private schools, and public and special libraries in every state, the District of Columbia, and five U.S. territories. The E-rate Program processes approximately 40,000 applications filed by eligible entities seeking support for E-rate-eligible services. USAC, as the fund administrator, does not set policy, but administers the E-rate Program under the oversight of the FCC and in accordance with its rules, regulations and directives.

On March 13, 2018, USAC solicited an RFP for Schools and Libraries Business Process Outsourcing (BPO) Services. The RFP for the BPO Services may be found at [Schools and Libraries Business Process Outsourcing \(BPO\) Service](#). Due to the importance of this project, USAC is seeking professional project management consulting services to support the potential transition and change management of USAC's SLD BPO operations to a new BPO vendor or implement key process changes with the incumbent BPO vendor under a new BPO services contract. Appendix A to this RFP describes the BPO functions performed by USAC's current BPO vendor. We encourage bidders to review Appendix A hereto, as well as the RFP for the BPO Services.

Further, the SLD PMO will provide a variety of support activities ensuring improved E-rate Program administration. In the event a new BPO vendor is selected, the SLD PMO will work with USAC SLD staff, the incumbent BPO vendor, and the new BPO vendor to manage transition activities. Both the incumbent and new BPO vendors will have transition plans in place with deliverables supporting the transition of BPO services. The PMO will need to perform a gap analysis of the transition plans and work with USAC SLD staff and USAC vendor(s) to ensure transition plans are complete. The SLD PMO will document and build a training program to support the comprehensive approach to the FCC Form 471 Program Integrity Assurance (PIA) review process and other pre- and post-commitment processes to be performed by the BPO vendor under a new contract. Additional SLD PMO work will include quality assurance activities and identification of, and assistance with, these process and procedural improvement activities. By developing a comprehensive understanding of the BPO processes, such as FCC Form 471 PIA reviews, the SLD PMO staff will be able to propose process and procedural changes to improve BPO vendor efficiency and internal controls while maintaining compliance with applicable rules. USAC is seeking BPO change management support to ensure

that (1) no gaps exist in BPO vendor support activities, (2) the incumbent BPO vendor and any new BPO vendor deliver on their respective change management plans, and (3) training materials are developed and presented to USAC and BPO vendor, as necessary, to ensure successful delivery and oversight of BPO activities.

2. TYPE OF CONTRACT

The contract to be awarded to the selected contractor (Contractor) pursuant to this RFP will be as set forth in **Attachment 1** to the Contractor Response (Contract). The contract price must include all direct and indirect costs set forth in this Section B, including equipment, product support, supplies, general and administrative expenses, overhead, materials, travel, labor, taxes (including use and sales taxes), shipping, and profit. USAC may reimburse Contractor for any pre-approved travel related expenses to USAC vendor locations on behalf of USAC in accordance with [USAC's Travel Policy](#).

3. CONTRACT TERM

The term of the Contract shall be for no greater than eighteen (18) months, unless extended, in writing, by USAC. The term of the Contract shall commence on the Effective Date on which the Contract is signed.

4. PLACE OF PERFORMANCE

- A. All required Contract services must be performed within the United States and will primarily be at USAC Corporate Headquarters. Contractor personnel performing services at USAC's headquarters must complete the USAC Visitor Form and Confidentiality Agreement prior to being assigned a temporary USAC visitor's badge and being allowed on-site.
- B. A Contract kick-off meeting will be held at USAC's headquarters at 700 12th Street NW, Suite 900, Washington, DC 20005 ("USAC Headquarters"). Status and other meetings may be held telephonically or in person, at USAC's discretion. USAC will not reimburse Contractor for any travel related expenses for kick-off, status, and other meetings.
- C. Services requiring work at USAC Headquarters, will include appropriate work space and appropriate access to USAC's computer network. **NOTE: Contractor personnel requiring access to USAC IT Systems will be required to sign USAC's IT Security Rules of Behavior Form and complete mandatory IT Security and Privacy Awareness Online Training. Contractor may be required to complete Role-Based Privacy Act Training if accessing USAC information systems designated as federal system of records (i.e., National Verifier and National Lifeline Accountability Database (NLAD)).**
- D. Status update meetings and other meetings will be held in-person or virtually, except to the extent that USAC or the Contractor requires in-person presence. While at USAC Headquarters for meetings or to conduct the assessment, Contractor staff will be considered

as visitors. All visitors are required to complete USAC’s Visitor Form, [USAC Visitor Form](#), and wear a badge while on premises. The Contract kick-off meeting and all in-person meetings will be held at USAC Headquarters or other reasonable locations designated by USAC.

5. COMPANY PROFILE

USAC is a not-for-profit Delaware corporation, which works under the oversight of the FCC. USAC is not a federal agency, a government corporation, a government controlled corporation or other establishment in the Executive Branch of the United States Government. USAC is not a contractor to the Federal Government. The Contract awarded as a result of this RFP will not be a subcontract under a federal prime contract. USAC does, however, conduct its procurements in accordance with the terms of a Memorandum of Understanding with the FCC, which requires USAC to adhere to the following provisions from the Code of Federal Regulations: 2 C.F.R. §§ 200.318-321; 200.323; 200.325-326 and App. II to C.F.R. Part 200 (collectively “Procurement Regulations”). Further, USAC’s IT systems that are used to administer the USF programs and USAC vendors that handle and manage USF data must be compliant with Federal Information Security Management Act (FISMA) and National Institute of Standards and Technology (NIST) requirements as applicable to federal agencies.

6. PERFORMANCE REQUIREMENTS

Contractor shall begin performance of the engagement services and hold a project kick-off meeting (see section B.VIII.A.1 below) no later than five (5) business days following the Contract start date. During the project kick-off meeting Contractor shall present its Project Plan, as provided in Contractor’s proposal response. The Project Plan should be based on Contractor’s past successful engagements and methodology for conducting support services of the type requested herein. Additionally, Contractor will be required to develop and present a final project plan within five (5) business days of the project kick-off meeting. Once USAC has approved the project plan, the plan will then become the baseline for management of the overall engagement.

7. SCOPE OF SERVICES AND DELIVERABLES

Contractor shall provide the following services and deliverables in accordance with terms set forth below and in Section C of this RFP:

- A. **CHANGE MANAGEMENT.** Assist with potential transition of BPO operations to a new BPO vendor or implement key process changes with the incumbent BPO vendor under a new BPO services contract.
 - 1. Create a project plan for the potential transition of BPO vendor which will include dates and deliverables to assist with vendor transition functions during the transition period.
 - 2. Establish the SLD PMO to manage vendor transition and new contract change management activities including assessing the adequacy of change management

- (transition) plans, managing vendor process implementation and change management activities, developing and presenting training materials in support of BPO activities, and developing other materials to support E-rate activities.
3. Provide a structure for change management around the transition.
 4. Provide change management support to ensure no gaps exist in vendor support activities.
 5. Support SLD with enhancing capabilities for monitoring and oversight of SLD's vendor(s) which may include, for instance, coordination between BPO incumbent and new BPO vendor or other USAC staff and vendor(s).
 6. Develop robust reports and monitor BPO vendor delivery on activities and change management plans.

B. TRAINING. Develop clear, comprehensive training materials in support of BPO activities.

1. Work with the incumbent and/or new BPO vendor in establishing documentation / materials and establishing new processes supporting the transitioning and/ or improvements to training for USAC and BPO vendor staff.
2. Develop training materials and assist with delivering training on new BPO procedures.
3. Monitor overall processes and procedures necessary to assess and establish updated processes and procedures.
4. Develop, coordinate, and provide training to BPO vendor and USAC staff.
5. Develop and present training materials to ensure successful delivery of BPO activities for USAC's customers.

C. QUALITY ASSURANCE & PROCESS AND PROCEDURAL DEVELOPMENT.

Assist with development and implementation of quality assurance and process and procedural efficiencies.

1. Support SLD with enhancing capabilities for monitoring and oversight of SLD's vendors.
2. Assist in formalizing new processes and procedures and supporting documentation.
3. Learn and develop documentation (such as procedural guides, flow charts, manuals, and training materials) to support the SLD PIA and Invoicing processes.
4. Implement key process changes consistent with BPO vendor under the new BPO services contract.
5. Assist with development and implementation of quality assurance activities.
6. Identify process and procedural efficiencies and recommend process improvements.
7. Assess existing policies and procedures and make recommendations to ensure compliance, reduce risk, and increase efficiency.
8. Develop and update procedural documentation including development of new procedures and system user guides.
9. Develop and implement a continuous monitoring plan to ensure the BPO vendor meets the deliverables and service level agreements in the BPO contract.
10. Develop strategies for addressing deficiencies in BPO vendor's performance and addressing when BPO vendor fails to meet deliverables and service level agreements.

D. KEY ACTIVITIES - TIMELINE

Below are SLD PMO activities and planned dates in support of E-rate Program administration:

No.	Activity	Estimated Dates
1	Stand up SLD PMO	Early Sept 2018
2	Training Support and Documentation for FCC Form 471 PIA reviews	Sept – Oct 2018
3	Transition / Change Management Support for all BPO Services	Sept – Dec 2018
4	PIA Process and Procedural Change Assessment	Sept – Dec 2018
5	Training Support and Documentation for Invoicing	Jan – Feb 2019
6	Invoicing Process and Procedural Change Assessment	Jan – Jun 2019
7	Training Support and Documentation for additional Pre- and Post- Commitment activities	Mar – Jun 2019
8	Additional Pre- and Post- Commitment Process and Procedural Change Assessment	Jun 2019 – Dec 2019

The transition / change management support provided will ensure the ongoing quality of BPO deliverables, minimize the impact of the transition on the velocity of BPO deliverables, and reduce the overall risk associated with the transition ensuring continuity of Program administration.

8. MEETINGS, MANAGEMENT, AND KEY PERSONNEL

A. Meetings.

1. *Project Kick-Off Meeting.*

- a. Within five (5) business days of the Contract start date, the Contractor shall initiate work on this Contract by meeting with key USAC representatives to ensure a common understanding of the requirements, expectations, and ultimate end products and to obtain an overall understanding of the project and review the background information and materials provided by USAC.
- b. Discussions will also include the scope of work, deliverables to be produced, how the efforts will be organized and how the project will be conducted.
- c. Contractor shall present the project plan to USAC for discussion and approval. A concerted effort shall be made to gain a thorough understanding of USAC's expectations. However, nothing discussed in this, or in any subsequent meetings or

discussions between USAC and the Contractor shall be construed as adding to, deleting, or modifying any Contract requirements, including deliverable specifications and due dates. All Contract modifications and amendments must be approved in writing by an authorized USAC Procurement representative.

2. *Bi-Weekly Status Meetings.*

- a. Key personnel must schedule and participate in bi-weekly status meetings and travel to USAC's office in accordance with the requirements of the Contract.
- b. Contractor shall prepare a status report and submit it to USAC twice per week. The report must include the current status for each of the project work streams including percentage of completion, achievements, and any risks/issues relating to Contract performance or payment. The report must include an expected completion date and the circumstances surrounding any possible delays. The report shall be submitted one (1) business day before each regularly scheduled status meeting and no later than Friday noon (12:00 PM ET) during weeks in which the meeting is scheduled for Monday or when no status meeting is scheduled.
- c. The Twice Weekly Status Report shall be used as the basis of the status meeting discussion.

3. *Milestone Status Meetings.*

- a. Key personnel must be prepared to present each deliverable either in-person or virtual via webcast meeting, as directed by USAC. For revision rounds, the Contractor's key personnel should be prepared to walk through any editing round questions via phone.
- b. Key personnel must be prepared to provide interim deliverable updates, as requested by USAC.

4. *Accessibility.* Key personnel must be accessible via telephone or email during USAC's normal business hours, Monday through Friday (9:00 AM - 6:00 PM ET).

B. **Key Personnel.** The Contractor shall provide consultant staffing for one (1) or more of the following labor categories:

1. *Senior Manager.* The Contractor shall designate one (1) key personnel to oversee the project and act as the day-to-day contact for USAC.

The Contractor may propose additional labor categories in its proposal submission. Any additional labor categories must include the associated labor hour bill rate for each additional category submitted as well as the experience and qualifications of the personnel to be assigned to that labor category.

SECTION C: USAC Terms and Conditions

I. DEFINITIONS

- A. “Contractor” means the Offeror whose proposal was selected for award of the Contract.
- B. “Data” means recorded information, regardless of form or the media on which it may be recorded, and includes, but is not limited to, technical data and Software.
- C. “Deliverables” means the deliverables, goods, items, products, and material that are to be prepared by Contractor and delivered to USAC as described in Section B.
- D. “FISMA” ” refers to the Federal Information Security Management Act of 2002, as amended by the Federal Information Security Modernization Act of 2014, 44 U.S.C. § 3541, *et seq.*
- E. “Offeror” means an entity submitting a formal proposal in response to this Solicitation.
- F. “OMB” refers the Office of Management and Budget.
- G. “NIST” refers to the National Institute of Standards and Technology.
- H. “Services” means the tasks, services, functions and responsibilities described in Section B and in the Contract issued hereunder.
- I. “Software” means computer programs that allow or cause a computer to perform a specific operation or series of operations, together with all modifications to, or enhancements (“derivative works”) thereof.

II. INSPECTION / ACCEPTANCE

Contractor shall only tender for acceptance Services and Deliverables that conform to the requirements of the Contract. USAC will, following Contractor’s tender, inspect or test the Deliverables or Services and:

- (a) Accept the Services and Deliverables; or
- (b) Reject the Services and Deliverables and advise Contractor of the reasons for the rejection.

If rejected, Contractor must repair, correct or replace nonconforming Deliverables or re-perform nonconforming Services, at no increase in Contract price. If repair, correction, replacement or re-performance by Contractor will not cure the defects or is not possible, USAC may terminate for cause under Section C.XI, below, and, in addition to any other remedies, may reduce the Contract price to deduct amounts for the defective work.

Unless specified elsewhere in the Contract, title to items furnished under the Contract shall pass to USAC upon acceptance, regardless of when or where USAC takes possession.

III. ENTIRE CONTRACT / BINDING EFFECT

The contract, including the following contract documents listed in descending order of precedence: (1) Sections A-E, including the attachments identified in Section D; and (2) any other attachments – constitutes the entire agreement (“Contract”) between the parties with respect to the subject matter hereof and supersedes and replaces all prior or contemporaneous understandings or agreements, written or oral, regarding such subject matter. Section B and Section C have priority and shall take precedence over any other Contract document, including Contractor proposals that may be included as attachments to the Contract. Any waiver of any provision of the Contract will be effective only if in writing and signed by the party granting the waiver. The Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assignees.

IV. CHANGES

The terms of the Contract shall not be modified other than in writing signed by the parties. USAC may modify the Contract as necessary to fulfill its requirements.

V. INVOICES

A. *Where to Submit Invoices.* Contractor shall submit invoices electronically to Accounting@USAC.org. Additionally, Contractor shall submit an electronic invoice to the address designated in the Contract to receive invoices.

B. *Invoice Content.* Invoices must include:

1. Name and address of Contractor;
2. Invoice date, number and period of performance;
3. Contract number;
4. Completed and signed copies of the Contractor Weekly Status Report and Time Sheet by each Contractor personnel performing services on the Contract for the time period covered by the invoice, if applicable;
5. Name and address of official to whom payment is to be sent or to notify in event of invoice or payment issues; and
6. Any other substantiating documentation or information as reasonably required by USAC.

- C. *ETF Information.* Contractor shall provide Electronic Funder Transfer (ETF) banking information via secure method upon Contract execution. USAC shall not be liable for uncompleted or erroneous transfers which occur as a result of Contractor providing incorrect or out of date ETF information.
- D. *Invoice Submittal Date.* Contractor may submit invoices for payment upon completion and USAC's acceptance of all of the work associated with a Contract or, if the period of performance of a Contract exceeds sixty (60) days, once every thirty (30) days, with the submission of the first invoice no earlier than thirty (30) days after issuance of the Contract.
- E. *Content of Periodic Invoices.* If periodic invoices are submitted for a Contract, each invoice shall include only services that have been completed and deliverables that have been accepted as of the date of invoice submission and that have not been billed in a prior invoice.
- F. *Contractor Statement to Accompany Invoices.* All invoices shall be accompanied by the following statement signed by Contractor: "I certify that the services and items submitted on this invoice have been performed and delivered in accordance with the Contract [insert contract number] and that all charges are true, correct and have not been previously billed."

VII. PAYMENT / RATES

Contractor shall be paid for services performed on a fixed-price, service category rate basis using the service categories and fixed rates set forth in **Attachment 1**. USAC will pay invoices submitted in accordance with Section C.V., above, within thirty (30) calendar days of receipt of invoice, provided the Services and/or Deliverables have been delivered and accepted by USAC. The labor rates are firm and shall remain firm unless agreed to in writing by the parties, or unless Contractor provides a rate reduction or discount thereto. All labor rates specified herein are fully loaded and include all direct and indirect costs and expenses, including applicable federal, state, or local sales, use, or excise taxes, and profit.

VIII. PATENT INDEMNITY

Contractor shall indemnify, hold harmless and defend USAC and its directors, officers, employees and agents against any and all claims and liability, including attorney's fees and other costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, or misappropriation of, any patent, trademark or copyright, arising out of or related to Contractor's performance of the Contract.

IX. ASSIGNMENT / SUBCONTRACTING

Contractor shall not assign or subcontract all or any portion of the Contract without obtaining USAC's prior written consent. Consent must be obtained at least thirty (30) days prior to the proposed assignment or subcontracting. USAC may require information and assurances that the proposed assignee or subcontractor has the skills, capacity, qualifications and financial strength to meet all of the obligations under the Contract. An assignment or subcontract shall not release the Contractor of the obligations under the Contract, and the assignee or subcontractor shall be jointly and severally liable with the Contractor.

Contractor shall not enter into any subcontract with a company or entity that is debarred, suspended, or proposed for debarment or suspension by any federal executive agency unless there is a compelling reason to do so. Contractor shall review the System for Award Management (SAM) for suspension or debarment status of proposed subcontractors. *See* <https://www.sam.gov>.

X. TERMINATION FOR CONVENIENCE

USAC may terminate the Contract for any reason or no reason upon one (1) day prior written notice to the Contractor. Subject to the terms of the Contract, Contractor shall be paid for all time actually spent performing the Services required by the Contract up to date of termination, plus reasonable charges Contractor can demonstrate to the satisfaction of USAC have resulted directly from the termination.

XI. TERMINATION FOR CAUSE

Upon the expiration of a ten (10) day cure period (during which the defaulting party did not provide a sufficient cure), the non-defaulting party may terminate the Contract issued hereunder, in whole or in part, *for cause* in the event of the defaulting party's failure to comply with any material term or condition of the Contract, as applicable, or if either party fails to provide the other party, upon request, with adequate assurances of future performance. In the event of termination for cause, the non-defaulting party shall be entitled to any and all rights and remedies provided by law or equity. If it is determined that USAC improperly terminated the Contract for cause, such termination shall be deemed a termination for convenience. In the event of partial termination, the defaulting party shall continue to perform the portion of the Services not terminated.

XII. STOP WORK ORDER

USAC may, in its sole discretion, issue a stop work order at any time during the Contract term. Upon receipt of a stop work notice, or upon receipt of a notice of termination (for cause or convenience), unless otherwise directed by USAC, Contractor shall, on the stop work date identified in the stop work or termination notice: (A) stop work, and cause its subcontractors, consultants or agents to stop work, to the extent specified in said notice; and (B) subject to the prior written approval of USAC, transfer title and/or applicable licenses to use, as appropriate, to USAC and deliver to USAC, or as directed by USAC, all materials, Data, work in process, completed work and other USAC Information or material produced in connection with, or acquired for, the work terminated. In the event of a stop work order, all deadlines in the Contract shall be extended on a day for day basis from such date, plus reasonable additional time, as agreed upon between the parties, acting in good faith, to allow Contractor to reconstitute its staff and resume the work.

XIII. LIMITATION OF DAMAGES

Except in cases of gross negligence or willful misconduct, in no event shall either party be liable for any consequential, special, incidental, indirect or punitive damages arising under or relating to the performance of the Contract and in no event shall USAC's entire cumulative liability exceed the amounts paid to Contractor under the Contract. All exclusions or limitations of damages contained in the Contract, including, without limitation, the provisions of this Section C.XIII, shall survive expiration or termination of the Contract.

XIV. CONFIDENTIAL INFORMATION

- A. *Confidential Information.* Confidential Information includes, but is not limited to, information, Data, material, or communications in any form or format, whether tangible or intangible, spoken or written (collectively referred to hereafter as "Information"), that contains, reflects, or is derived from or based upon, or is related to:
1. Management, business, procurement or financial Information of either party, the FCC or a USF stakeholder, including proprietary or commercial Information and trade secrets that have not previously been publicly disclosed;
 2. Information regarding USAC's processes and procedures (including, but not limited to, program operational Information, Information regarding USAC's administration of its programs, and Information regarding USAC's processing of applications for program support);
 3. Information concerning USAC's relationships with other vendors or contractors, the FCC, USF Stakeholders and financial institutions;

4. Information marked to indicate disclosure limitations such as “Confidential Information,” “proprietary,” “privileged,” “not for public disclosure,” “work product,” etc.;
 5. Information compiled, prepared or developed by Contractor in the performance of the Contract;
 6. Any Information identified as confidential by the disclosing party; and
 7. Personally Identifiable Information (PII), any information about an individual that can be used to distinguish or trace an individual’s identity either alone or when combined with other information that is linked or linkable to a specific individual. Examples of PII include name, address, telephone number, date and place of birth, mother’s maiden name, biometric records, etc.
- B. *Non-Disclosure/Use/Irreparable Harm.* It is anticipated that one of the parties (Disclosing Party) may disclose, or has disclosed, Confidential Information to the other party (Recipient). At all times during the term of the Contract and thereafter, the Recipient shall maintain the confidentiality of all Confidential Information and prevent its unauthorized disclosure, publication, dissemination, destruction, loss, or alteration. Recipient shall only use Confidential Information for a legitimate business purpose of USAC and in the performance of the Contract. Recipient acknowledges that the misappropriation, unauthorized use, or disclosure of Confidential Information would cause irreparable harm to the Disclosing Party and could cause irreparable harm to the integrity of the USF Programs.
- C. *Employee Access to Confidential Information.* Recipient shall not disclose Confidential Information to partners, joint venturers, directors, employees, agents and subcontractors (sub-Recipient) unless absolutely necessary for a Recipient’s or sub-Recipient’s performance of the Contract, and if necessary, shall only disclose the Confidential Information necessary for sub-Recipient’s performance of its duties. As a pre-condition to access to Confidential Information, Recipient shall require sub-Recipients, including its employees and subcontractors, and the employees of any subcontractor, to sign a non-disclosure or confidentiality agreement containing terms no less restrictive than those set forth herein. The Disclosing Party may enforce such agreements, if necessary, as a third-party beneficiary.
- D. *Contractor Enforcement of Confidentiality Agreement.* Contractor must report, and describe in detail, any breach or suspected breach of the non-disclosure requirements set forth above to the USAC General Counsel immediately (i.e., within one (1) hour) upon becoming aware of the breach. Contractor will follow-up with the USAC General Counsel and provide information on when and how the breach occurred, who was involved, and what has been done to recover the Information.

- E. *Exclusions.* If requested to disclose Confidential Information by an authorized governmental or judicial body, Recipient must promptly notify the Disclosing Party of the request and to the extent that it may legally do so, Recipient must refrain from disclosure of the Confidential Information until the Disclosing Party has had sufficient time to take any action as it deems appropriate to protect the Confidential Information. In the event Confidential Information of USAC is requested, Recipient must notify USAC, with a copy to USAC's General Counsel, of the request. Neither Contractor nor its subcontractors shall issue any public statement relating to or in any way disclosing any aspect of the Contract without the prior written consent of USAC. Notwithstanding anything herein to the contrary, USAC may, without notice to Contractor, provide the Contract, including Contractor's proposal information, and any information or Data delivered, prepared or developed by Contractor in the performance of the Contract to the FCC or other governmental or judicial body, and may publicly disclose basic information regarding the Contract, e.g., name of Contractor, price, basis for selection, description of services/deliverables and any provisions necessary for USAC to justify actions taken with respect to the Contract.

XV. RETURN OF USAC INFORMATION

- A. "USAC Information" includes Information and Data provided by USAC to Contractor for use in the performance of the Contract, Data that is collected, developed or recorded by Contractor in the performance of the Contract, including without limitation, business and company personnel information, program procedures and program specific information, and Data that is created or derived from such Data. USAC Information is Confidential Information and subject to all requirements in Section C.XIV.
- B. Promptly upon the expiration or termination of the Contract, or such earlier time as USAC may direct, Contractor shall, at the direction of USAC, and at no additional cost to USAC, return or destroy all USAC Information, including all copies thereof, in the possession or under the control of Contractor. Contractor shall not withhold any USAC Information as a means of resolving any dispute. To the extent that there is a dispute between Contractor and USAC, Contractor may make a copy of such USAC Information as is necessary and relevant to resolution of the dispute. Any such copies shall promptly be destroyed upon resolution of the dispute.
- C. USAC Information is provided to Contractor solely for the purpose of rendering the Services, and USAC Information or any part thereof shall not be sold, assigned, leased, or otherwise transferred to any third party by Contractor (except as required to perform the Services or as otherwise authorized in the Contract), commingled with non-USAC Information, or commercially exploited by or on behalf of Contractor, or its employees or agents. Promptly upon the expiration of the Contract term, or such earlier time as USAC may direct, Contractor shall, at the direction of USAC, and at no additional cost to USAC, return or destroy all copies of USAC Information in the possession or under the

control of Contractor or its employees or any subcontractors or their employees. Contractor shall not withhold any USAC Information as a means of resolving any dispute. To the extent that there is a dispute between Contractor and USAC, Contractor may make a copy of such USAC Information as is necessary and relevant to resolution of the dispute. Any such copies shall promptly be destroyed upon resolution of the dispute.

XVI. INFORMATION SECURITY

The Contractor shall establish and maintain safeguards to protect the confidentiality, integrity, and restricted availability of Confidential Information, including any PII, in its possession according to NIST, FISMA requirements, and the Office of Management and Budget (“OMB”) requirements. This includes all information that is sent to and received from USAC and USAC Stakeholders. The Contractor and its subcontractors shall ensure that their respective local area networks, servers, and personal computers are secure from unauthorized access from within or outside their respective organizations. The Contractor shall not store or otherwise maintain any USAC Confidential Information in the Cloud, or back-up and store USAC’s Confidential Information without first obtaining USAC’s written consent.

XVII. MALICIOUS SOFTWARE

Contractor represents and warrants that it shall use its best efforts to prevent the introduction into USAC’s network, software or systems (“USAC IT Systems”) of any Software, program, routine, device, or other undisclosed feature that is designed to delete, disable, deactivate, interfere with or otherwise harm USAC’s IT Systems or Data, or that is intended to provide unauthorized access or modifications (“Malicious Software”). Contractor agrees that if it introduces, or allows the introduction of Malicious Software into USAC’s IT Systems intentionally, negligently or by failure to maintain available safeguards, Contractor must, at no additional cost to USAC, eliminate, or reduce to the greatest extent possible, the effects of the Malicious Software, including restoring Data, and, if the Malicious Software causes a loss of operational efficiency, loss of data or other damages, to mitigate and restore such losses, and to indemnify USAC for any damages.

XVIII. FISMA PROVISIONS

The Contractor shall meet and comply with all USAC IT Security Policies and all applicable USAC, NIST, and FISMA requirements and other Government-wide laws and regulations for the protection and security of information systems and data. Contractor’s security and privacy controls must be assessed against the same NIST criteria and standards (specifically NIST SP 800-53, rev. 4, or the latest version) as if they were a government-owned or-operated system, and comply with all FISMA requirements. The Contractor shall ensure that all USAC Information remains within the United States. Any disaster recovery backups of USAC Information must also remain in the United States.

Safeguarding of Covered Contractor Information Systems:

The Contractor shall apply the following minimum safeguarding requirements and procedures to protect covered Contractor information systems. Requirements and procedures for safeguarding of covered Contractor information systems shall include, at a minimum, the following security controls:

1. Limit information system access to only authorized users, processes acting on behalf of authorized users, or devices (including other information systems).
2. Limit information system access to only the types of transactions and functions that authorized users are permitted to execute.
3. Verify and control/limit connections to and use of external information systems.
4. Control information posted or processed on publicly accessible information systems.
5. Identify information system users, processes acting on behalf of users, or devices.
6. Authenticate (or verify) the identities of those users, processes, or devices, as a prerequisite to allowing access to organizational information systems.
7. Sanitize or destroy information system media containing USAC Information before disposal or release for reuse.
8. Limit physical access to organizational information systems, equipment, and the respective operating environments to only authorized individuals.
9. Escort visitors and monitor visitor activity; maintain audit logs of physical access; and control and manage physical access devices.
10. Monitor, control, and protect organizational communications (i.e., information transmitted or received by organizational information systems) at the external boundaries and key internal boundaries of the information systems.
11. Implement subnetworks for publicly accessible system components that are physically or logically separated from internal networks.
12. Identify, report, and correct information and information system flaws in a timely manner.
13. Provide protection from malicious code at appropriate locations within organizational information systems.
14. Update malicious code protection mechanisms when new releases are available.
15. Perform periodic scans of the information system and real-time scans of files from external sources as files are downloaded, opened, or executed.

XIX. PROPRIETARY RIGHTS

Contractor agrees that all Data, Software, Deliverables, reports or other materials (collectively “Materials”) developed or conceived by Contractor and/or documented by Contractor in the performance of the Contract, as well as all modifications and improvements thereto and all other designs, discoveries and inventions, are USAC property and shall be deemed USAC Information pursuant to Section XV above and works made-for-hire for USAC within the meaning of the copyright laws of the United States. Accordingly, USAC shall be the sole and exclusive owner for all purposes for the use, distribution, exhibition, advertising and exploitation of such Materials or any part of them in any way and in all media and by all means throughout the universe in perpetuity.

The Contractor shall not, without the prior written permission of the USAC Procurement Office, incorporate in Data delivered under the Contract any Data not first produced in the performance of the Contract unless the Contractor: (1) identifies the Data; and (2) grants to USAC, or acquires on USAC’s behalf, a license of the same scope as set forth earlier in this Section XIX.

XX. RESPONSIBILITY FOR CONTRACTOR PERSONNEL

Contractor personnel working on USAC premises are required to sign and agree to the terms of a Visitor Form provided by USAC. Contractor is responsible for any actions of its personnel, including any actions that violate law, are negligent or that constitute a breach of the Visitor Form and/or the Contract.

Security Briefings. Before receiving access to IT resources under the Contract, Contractor personnel must receive a security briefing, which USAC will arrange, and complete any nondisclosure agreement required by the Contract.

XXI. RECORD RETENTION

During the term of the Contract and for three (3) years following final payment, the Contractor shall maintain and make available at its offices at all reasonable times, the records, materials, and other evidence relating to the Contract for examination, audit, or reproduction.

XXII. KEY PERSONNEL

All Contractor employees assigned to the positions identified in Section B.IX are key personnel. The key personnel assigned to the Contract must remain in their respective positions throughout the term of the Contract, as applicable. USAC may terminate all or a part of the Contract if the Contractor changes the position, role, or time commitment of key personnel, or removes key personnel from the Contract, without USAC’s prior written

approval. USAC may grant approval for changes in staffing of key personnel if it determines in its sole discretion, that:

- changes to, or removal of, key personnel is necessary due to extraordinary circumstances (e.g., a key personnel's illness, death, termination of employment, or absence due to family leave), and
- the Contractor has resources (e.g., replacement personnel) with the requisite skills, qualifications and availability to perform the role and duties of the outgoing personnel.

Replacement personnel are considered key personnel and this Section XXII shall apply to their placement on and removal from the Contract.

XXIII. INSURANCE

At its own expense, Contractor shall maintain sufficient insurance in amounts required by law or appropriate for the industry, whichever is greater, to protect and compensate USAC from all risks and damages/injuries that may arise under the Contract, including as appropriate, public and commercial general liability, personal injury, property damage and employer's liability and worker's compensation insurance. Contractor shall produce evidence of such insurance upon request by USAC. Contractor shall provide written notice thirty (30) days prior to USAC in the event of cancellation of or material change in the policy.

XXIV. CONFLICTS OF INTEREST

It is essential that any Contractor providing Services or Deliverables in support of USAC's administration of the USF maintain the same neutrality, both in fact and in appearance, and avoid any conflict of interest or even the appearance of a conflict of interest. For example, to the extent that Contractor, or any of its principals, has client, membership, financial and/or any other material affiliation with entities that participate in the federal USF in any respect, there may be actual, potential and/or apparent conflict(s) of interest. Contractor shall promptly notify USAC, with a copy to USAC's General Counsel, in writing of any actual or potential conflicts of interest involving Contractor, or any circumstances that give rise to the appearance of a conflict of interest, and the means by which Contractor proposes to avoid, neutralize, or mitigate such conflicts. Contractor shall also notify USAC of any conflicts Contractor has with USAC vendors. Failure to provide adequate means to avoid, neutralize or mitigate any conflict of interest may be the basis for termination of the Contract. By its execution hereof, the Contractor represents and certifies that it has not paid or promised to pay a gratuity, or offered current or future employment or consultancy, to any USAC or governmental employee in connection with the award. In order to maintain the required neutrality, Contractor must not advocate any policy positions with respect to the Programs or the USF during the term of the Contract. Neither the Contractor nor its

subcontractors shall issue any public statement relating to or in any way disclosing any aspect of the Contract without the prior written consent of USAC.

XXV. INVALIDITY OF ANY PROVISION

It is the intent of the Parties that the provisions of the Contract will be enforced to the fullest extent permissible, but that the unenforceability of any provision will not render unenforceable or impair the remainder of the Contract, which will be deemed amended, to delete or modify, as necessary, the invalid or unenforceable provisions. The Parties further agree to negotiate replacement provisions for any unenforceable term that are as close as possible to the original term and to change such original term only to the extent necessary to render the same valid and enforceable.

XXVI. WAIVER

Any waiver by either party of a breach of any provision of the Contract shall not operate or be construed as a waiver of any subsequent breach by either party.

XXVII. SEVERABILITY

The invalidity or unenforceability of any provisions of the Contract shall not affect the validity or enforceability of any other provision of the Contract, which shall remain in full force and effect.

XXVIII. CHOICE OF LAW / CONSENT TO JURISDICTION

The Contract shall be governed by and construed in accordance with the laws of the District of Columbia (the term “laws” is to be construed as broadly as possible to include case law, statutes, regulations, orders, etc.) without regard to any otherwise applicable principle of conflicts of laws. Contractor agrees that all actions or proceedings arising in connection with the Contract shall be litigated exclusively in the State and, if applicable, Federal courts located in the District of Columbia (“Courts”). This choice of venue is intended to be mandatory and the parties’ waive any right to assert forum non conveniens or similar objection to venue. Each party hereby consents to in personam jurisdiction in the Courts. Contractor must submit all claims or other disputes to the Contracting Officer for informal resolution prior to initiating any action in the Courts and must work with USAC in good faith to resolve any disputed issues. A dispute over payment or performance, whether informal or in the Courts, shall not relieve Contractor of its obligation to continue performance of the Contract and Contractor shall proceed diligently with performance during any dispute over performance or payment.

XXIX. USAC AND APPLICABLE LAWS

USAC is not a Federal agency, a government corporation, a government controlled corporation or other establishment in the Executive Branch of the United States Government. USAC is not a contractor to the Federal Government and the Contract is not a subcontract under a federal prime contract. USAC conducts its procurements in accordance with the terms of a Memorandum of Understanding with the FCC, which requires USAC and its Contractors to adhere to certain procurement-related provisions of the Code of Federal Regulations, 2 C.F.R. §§ 200.318-321, 200-323, 200.325-326 and App. II to C.F.R. Part 200 (collectively "Procurement Regulations"). The Contractor shall comply with the procurement standards and all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under the Contract.

XXX. RIGHTS IN THE EVENT OF BANKRUPTCY

All licenses or other rights granted under or pursuant to the Contract are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, or any replacement provision therefore (the "Code"), licenses to rights to "intellectual property" as defined in the Code. The Parties agree that USAC, as licensee of such rights under this Contractor, shall retain and may fully exercise all of its rights and elections under the Code. The Parties further agree that, in the event of the commencement of bankruptcy proceedings by or against Contractor under the Code, USAC shall be entitled to retain all of its rights under the Contract and shall not, as a result of such proceedings, forfeit its rights to any Material, license, Software, Data or works made for hire.

XXXIV. NON EXCLUSIVITY / INDEPENDENT CONTRACTOR

Nothing herein shall be deemed to preclude USAC from retaining the services of other persons or entities undertaking the same or similar functions as those undertaken by the Contractor hereunder or from independently developing or acquiring goods or services that are similar to, or competitive with, the goods or services, as the case may be, contemplated under the Contract.

Contractor acknowledges and agrees that it is an independent contractor to USAC and Contractor's key personnel, employees, representatives, directors, officers, subcontractors and agents are not employees of USAC. USAC will not withhold or contribute to Social Security, workers' compensation, federal or state income tax, unemployment compensation or other employee benefit programs on behalf of Contractor or Contractor personnel. Contractor shall indemnify and hold USAC harmless against any and all loss, liability, cost and expense (including attorneys' fees) incurred by USAC as a result of USAC not withholding or making such payments. Neither Contractor nor any of Contractor's personnel are entitled to participate in any of the employee benefit plans of, or otherwise obtain any employee benefits from, USAC. USAC has no obligation to make any payments to Contractor's key personnel, employees, representatives, directors, officers, subcontractors and agents. Contractor shall not

hold herself/himself out as an employee of USAC and Contractor has no authority to bind USAC except as expressly permitted hereunder.

XXXV. TEMPORARY EXTENSION OF SERVICES

USAC may require continued performance of any Contract services within the limits and at the rates specified in the Contract. USAC may extend the services more than once, but the total extension of performance hereunder shall not exceed six (6) months. The USAC Procurement representative may exercise an option to extend by written notice to the Contractor within ten (10) days prior to expiration of the then current term.

XXXVI. NOTICES

All notices, consent, approval or other communications required or authorized by the Contract shall be given in writing and shall be:

- (a) personally delivered,
- (b) mailed by registered or certified mail (return receipt requested) postage prepaid,
- (c) sent by overnight delivery service (with a receipt for delivery), or
- (d) sent by electronic mail with a confirmation of receipt returned by recipient's electronic mail server to such party at the following address:

If to USAC:

Vice President of Procurement and Strategic Sourcing, Universal Service
Administrative Co.

700 12th Street, NW, Suite 900

Washington, DC 20005

Email: To the designated USAC Contract Officer for this procurement, with a copy to usacprocurement@usac.org.

If to Contractor: To the address or email set forth in the Contractor's proposal in response to the Solicitation.

XXXVII. SURVIVAL

All provisions that logically should survive the expiration or termination of the Contract shall remain in full force and effect after expiration or early termination of the term of the Contract. Without limitation, all provisions relating to return of USAC information, confidentiality obligations, proprietary rights, and indemnification obligations shall survive the expiration or termination of the Contract.

XXXVIII. EXECUTION / AUTHORITY

The Contract may be executed by the parties hereto on any number of separate counterparts and counterparts taken together shall be deemed to constitute one and the same instrument.

A signature sent via facsimile or portable document format (PDF) shall be as effective as if it was an original signature. Each person signing the Contract represents and warrants that they are duly authorized to sign the Contract on behalf of their respective party and that their signature binds their party to all provisions hereof.

XXXVIV. INDEMNITY

Contractor shall defend, indemnify and hold harmless USAC from and against, any costs, liabilities, damages or expenses (including reasonable attorneys' fees) arising out of or relating to: (1) claims for personal injuries, death or damage to tangible personal or real property to the extent proximately caused by the negligent acts or negligent omissions of Contractor or its employees, agents, consultants, or Subcontractors in connection with this Contract; and (2) claims of any nature whatsoever to the extent caused by the violation of contract terms, negligence, illegal or intentional wrongful acts or omissions of Contractor or its employees, agents, consultants, or Subcontractors in connection with the performance of the Services.

SECTION D:

Attachments

Attachment List:

- Attachment 1: Bid Sheet
- Attachment 2: **APPENDIX A** - Description of Business Process Outsourcing Functions
- Attachment 3: [Placeholder]

SECTION E:

Instructions and Evaluation Criteria

I. GENERAL

A. CONTRACT TERMS AND CONDITIONS

The Contract awarded as a result of this RFP will be governed by, and subject to, the requirements, Terms and Conditions set forth in RFP sections A, B, C, and D and any attachments listed in section D (hereafter collectively referred to as the “Terms and Conditions”). Offeror’s submission of a proposal constitutes its agreement to the Terms and Conditions and their precedence over any other terms, requirements, or conditions proposed by Offeror.

The Offeror’s proposal may identify deviations from, or revisions, exceptions or additional terms (collectively “exceptions”) to the Terms and Conditions, but only if such exceptions are clearly identified in a separate **Attachment B** to Volume II, “Exceptions to RFP Terms.” Proposals that include material exceptions to the Terms and Conditions may be considered unacceptable and render Offeror ineligible for award unless the Offeror withdraws or modifies any unacceptable exceptions prior to USAC’s selection of the successful Offeror for award. USAC will only consider changes or additions to the RFP Terms and conditions that are included in Offeror’s proposal. After selection of the awardee, USAC will not consider or negotiate any exceptions to the Terms and Conditions.

B. PERIOD FOR ACCEPTANCE OF OFFERS

The Offeror agrees to hold the fixed service category rates in its offer firm for 120 calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.

Proposals must:

- Concisely address USAC’s requirements, as set forth in Section B.VII (Scope of Services and Deliverable) under Performance Requirements and Scope of Work (Section B), and should not contain a significant amount of corporate boilerplate marketing information.
- Be submitted to USAC Procurement Department, no later than 11:00 AM ET on **August 9, 2018** (Proposal Due Date).
- Be submitted in the form of one electronic copy submitted to rfp@usac.org. The subject line for all email communication related to this solicitation should **only** state the Solicitation Number, SL-18-104, of this RFP.

C. PROPOSAL SCHEDULE

DATE	EVENT
July 27, 2018	RFP Released
August 1, 2018	Questions Due to USAC by 11:00 AM ET at rfp@usac.org
August 3, 2018	Answers posted by USAC
August 9, 2018	Proposal Due to USAC by 11:00 AM ET at rfp@usac.org
August 16-18, 2018	Potential dates for discussion / Q&A
August 31, 2018	Anticipated Award Date
September 10, 2018	Work Begins

To be timely, Offeror’s proposal must be received by USAC by the Proposal Due Date at the email address specified above. Any offer, modification, revision, or withdrawal of an offer received at the USAC office designated in the solicitation after the Proposal Due Date and Time is “late” and will not be considered by USAC, unless USAC determines, in its sole discretion, that (1) circumstances beyond the control of Offeror prevented timely submission, (2) consideration of the offer is in the best interest of USAC, or (3) the offer is the only proposal received by USAC.

D. AMEND, REVISE OR CANCEL RFP

USAC reserves the right to amend, revise or cancel this RFP at any time at the sole discretion of USAC and no legal or other obligations are assumed by USAC by virtue of the issuance of this RFP, including payment of any proposal costs or expenses, or any commitment to procure the services sought herein.

II. CONTRACT AWARD

USAC intends to evaluate offers and make a single award. USAC may reject any or all offers if such action is in the public’s or USAC’s interest; accept other than the lowest offers; and waive informalities and minor irregularities in offers received.

III. IDENTIFICATION OF CONFIDENTIAL INFORMATION

The proposal shall clearly and conspicuously identify information contained in the proposal that the Offeror contends is Confidential Information. *See* Section C.XIII.

IV. PROPOSAL VOLUMES COVER PAGE

Each volume of Offeror’s proposal must contain a cover page. On the cover page, please include:

- The name of the Offeror’s organization,
- The Offeror’s contact name,

- The Offeror's contact information (address, telephone number, email address, website address),
- The Offeror's DUNS number,
- The date of submittal,
- A statement verifying the proposal is valid for a period of 120 days, and
- The signature of a duly authorized Offeror's representative.

V. PROPOSAL CONTENT

Each proposal shall be comprised of the following four (4) volumes:

A. CORPORATE INFORMATION (VOLUME I)

This volume must include:

1. A cover page, as outlined above.
2. An executive summary summarizing all key features of the proposal, including the identification of any subcontractors and affiliated individuals or firms that will assist the Offeror in performing the Contract.
3. Pricing information should not appear in the Executive Summary.
4. A statement regarding any known conflicts of interest.
 - a. USAC procurements are conducted with complete impartiality and with no preferential treatment. USAC procurements require the highest degree of public trust and an impeccable standard of conduct. Offerors must strictly avoid any conflict of interest or even the appearance of a conflict of interest, unless USAC has otherwise approved an acceptable mitigation plan.
 - b. Offerors must identify any actual or potential conflicts of interest involving the Offeror or any proposed subcontractor, or any circumstances that give rise to the appearance of a conflict of interest, and the means by which it proposes to avoid, neutralize, or mitigate such conflicts. Offerors shall identify such conflicts or potential conflicts or appearance issues to USAC and provide detailed information regarding the nature of the conflict. Examples of potential conflicts include, but are not limited to: (1) any ownership, control or other business or contractual relationship(s), including employment relationships, between the Offeror (or proposed subcontractor) and any USF Stakeholder; (2) an Offeror has a direct personal or familial relationship with a USAC or FCC employee; (3) a former employee of USAC or FCC who had access to confidential procurement-related information works for the Offeror; (4) a USAC or FCC employee receives any type of compensation from the Offeror, or has an agreement to receive such compensation

in the future; (5) Offeror has communications with a USAC or FCC employee regarding future employment following the issuance of the RFP for this procurement; (6) any employment or consultation arrangement involving USAC or FCC employees and the Offeror or any proposed subcontractor; and (7) any ownership or control interest in the Offeror or any proposed subcontractor that is held by an FCC or USAC employee. Offerors must also identify any participation by the Offeror, or any proposed subcontractor(s) or personnel associated with the Offeror, in any of the universal service programs. The requirement in this Section E.V.A applies at all times until Contract execution.

- c. Offerors shall propose specific and detailed measures to avoid, neutralize, or mitigate actual, potential and/or apparent conflicts of interest raised by the affiliations and services described above. If USAC determines that Offeror's proposed mitigation plan does not adequately avoid, neutralize or mitigate any actual or potential conflict of interest, or the appearance of a conflict of interest, Offeror will not be eligible for award of a contract.

B. TECHNICAL (VOLUME II)

This volume must include:

1. A cover page, as outlined above.
2. Technical Approach. An in-depth discussion of Offeror's technical approach to providing the services listed in Section B.VII, along with a clear statement of whether or not the Offeror's performance of the Contract will comply with all requirements, Terms and Conditions set forth in the RFP. Offerors must submit a detailed response to this RFP. The Offeror must clearly state whether it will comply with all requirements and Terms and Conditions set forth in the RFP, and provide detailed information about how it will fulfill the requirements of the RFP. Any deviations from, or exceptions to, the requirements or Terms or Conditions contained in this RFP must be clearly identified in an Attachment B to Volume II.

Note: Offers that include material deviations from, or take material exceptions to, RFP requirements, Terms or Conditions will be evaluated as technically unacceptable and will be ineligible for award unless USAC subsequently amends the RFP to modify the requirements or, if discussions will be held, decides to address the deviations/exceptions during discussions and thereby resolves the deviations/exceptions are thereby resolved.

3. Technical proposals that merely repeat the requirements set forth in the RFP and state that Contractor "will perform the statement of work" or similar verbiage will be considered technically unacceptable and will not receive further consideration. USAC is interested only in proposals that demonstrate the Contractor's expertise in

performing engagements of this type as illustrated by the Offeror's description of how it proposes to perform the requirements set forth in this RFP.

4. Capabilities. Describe Offeror's capabilities for performing the Contract, including personnel resources and management capabilities. If applicable, describe how subcontractors or partners are used and how rates are determined when using subcontractors. Provide a list of firms, if any, that will be used.
5. Timeline. Offerors shall describe in detail their process for transition support and consulting, including how the Offeror intends to staff and complete the engagement. Offerors shall describe in detail their plan for completing the services identified in Section B.VII in a time allotted. If Offeror currently has on staff personnel who meet the qualifications for the services identified in Section B.VII, and who are available for assignment to under an awarded contract, please provide a resume (not to exceed two (2) pages) that includes their educational background, job and related experience, and the specific position(s) for which they are available on the Contract.
6. Experience. Describe your firm's experience in transition support and services of similar size and scope. Provide examples of the projects and personnel to include types of positions and length of assignments. Describe your firm's continuous engagement activities with the type of services outlined in this RFP.
7. Key Personnel. Identify by name all key personnel. Describe the technical knowledge of and experience of proposed personnel in the requested services with respect to, but not limited to, experience and qualifications including depth of knowledge, expertise and number of years. It is preferred that the Senior Manager have at least three (5) years of experience with supporting transition support and consulting services while in the role of Senior Manager. Provide two (2) clients in which the proposed Senior Manager held a similar position. Indicate any other personnel that will be assigned to USAC and his/her role on the contract. Provide a brief summary of each of these professional staff members' qualifications to include education and all relevant experience.
 - a. Submit resumes for all key personnel, as an attachment (**Attachment A**) to the technical volume, no longer than two (2) pages in length for each resume.
 - b. If Contractor, at time of proposal and prior to the award of the contract, has information that any such key personnel anticipate terminating his or her employment or affiliation with Contractor, Contractor shall identify such personnel and include the expected termination date in the proposal.

C. PAST PERFORMANCE EVALUATION (VOLUME III)

This volume must include:

1. A cover page, as outlined above.
2. A list of up to three (3) current or recently completed contracts similar in scope to those required by this solicitation. Each entry on the list must contain: (i) the client's name, (ii) the project title, (iii) the period of performance, (iv) the contract number, (v) the contract value, (vi) a primary point of contact (including the telephone number and email address for each point of contact, if available), and (vii) a back-up point of contact. If a back-up point of contact is not available, please explain how USAC may contact the client in the event the primary point of contact fails to respond.
 - a. For each past performance, provide a description of the relevant performance and the name and telephone number for USAC to contact for past performance information for each project discussed. A past performance description will consist of: (i) an overview of the engagement, (ii) a description of the scope of work performed, (iii) its relevance to this effort, and (iv) the results achieved. This is the time to identify any unique characteristics of the project, problems encountered, and corrective actions taken. Each overview shall not exceed one (1) page.
 - b. USAC will attempt to contact past performance references identified in the proposal for confirmation of the information contained in the proposal and/or will transmit a past performance questionnaire to the contacts identified in the Offeror's proposals. Although USAC will follow-up with the contacts, the Offeror, not USAC, is responsible for ensuring that the questionnaire is completed and returned by the specified date in USAC's transmittal. If USAC is unable to reach or obtain a reference for the project, USAC may not consider the contract in an evaluation of past performance.

D. PRICE (VOLUME IV)

This volume must include:

1. A cover page, as outlined above.
2. Completed pricing information in **Attachment 1: Bid Sheet**. Offeror shall provide the best financial proposal to complete the work for the duration of the contract term based on the proposed work plan. Offerors shall propose at least one (1) of the following pricing structures in the bid sheet (Attachment 1):
 - a. A fixed price bid for the entire scope of work outlined in the RFP.

- b. A variable price bid for time and materials for the entire scope of work outlined in the RFP.
- c. A bid with a combination of fixed and transactional pricing for the entire scope of work outlined in the RFP.
- d. A creative pricing structure, not mentioned above, for the entire scope of work outlined in the RFP, that will be cost-effective for USAC.

All bid prices must be *fully loaded* and must include wages, overhead, travel, general and administrative expenses, taxes and profit.

E. PAGE COUNT LIMITS

Page count, for each Volume including the cover page, may not exceed the below:

1. Volume I – Corporate Information; may not exceed three (3) pages, including Cover page.
2. Volume II – Technical; may not exceed five (5) pages including Cover page; however excluding **Attachment A** (Resumes)
3. Volume III – Past Performance Information; may not exceed four (4) pages, including Cover page.
4. Volume IV – Price; may not exceed three (3) pages, including Cover page.

Any proposals received exceeding the page count, will be considered technically unacceptable and may not receive further consideration.

VI. EVALUATION

A. EVALUATION FACTORS

USAC will award a single contract resulting from this solicitation to the responsible Offeror whose offer conforming to the solicitation will be most advantageous to USAC, price and other factors considered. The following factors, which are listed in descending order of importance, shall be used to compare offers and select the awardee – technical, past performance, and price. When combined, the technical and past performance factors are significantly more important than price.

1. **Technical:** The technical sub-factors listed below in descending order of importance:
 - a. Technical Approach

- b. Timeline
- c. Capabilities
- d. Experience
- e. Key Personnel

2. **Past Performance:** Past performance information will be evaluated to assess the risks associated with an Offeror's performance of this effort, considering the relevance, recency and quality of the Offeror's past performance on past or current contracts for the same or similar services. The Offeror's past performance will be evaluated based on the Offeror's discussion of its past performance for similar efforts, information obtained from past performance references (including detailed references for the Offeror's proposed teaming partner(s) and/or subcontractor(s), as applicable) and information that may be obtained from any other sources (including government databases and contracts listed in the Offeror's proposal that are not identified as references).
3. **Price Evaluation:** USAC will evaluate price based on each service category, listed in the Bid Sheet. Price is the least important evaluation factor and USAC may not necessarily award a Contract to the lowest priced Offeror. USAC further recognizes that the size of a company, its name-recognition, geographical offerings and the expertise/experience of staff impacts the price of the service category rates offered by the firms, thus making comparisons of differently situated firms less meaningful. Therefore, when considering rates, USAC will use the rates of similarly situated companies for reasonableness and comparison purposes. Price may become a more important selection factor if the ratings for the non-price factors are the same or very close to the same. In addition to considering the total prices of the Offerors when making the award, USAC will also evaluate whether the proposed prices are realistic (i.e., reasonably sufficient to perform the requirements) and reasonable. Proposals containing prices that are determined to be unrealistic or unreasonable will not be considered for award.

B. DOWN-SELECT PROCESS

USAC may determine that the number of proposals received in response to this RFP (for one (1) or any number of Service Category) are too numerous to efficiently conduct a full evaluation of all evaluation factors prior to establishing a competitive range. In such case, USAC may conduct a down-select process to eliminate Offerors, prior to discussions, from further consideration based on a comparative analysis of Offerors proposals, with primary focus on the price proposal, but USAC may, in its sole discretion, consider other factors such as quality of proposal, technical capabilities and past performance. Proposals that include proposed prices that are significantly higher than the median proposed price for all Offerors may be excluded from the competition without evaluation under the other evaluation factors.

Proposals that contain prices that are unrealistically low in terms of sufficiency to perform the Contract may also be excluded from the competition.

C. RESPONSIBILITY DETERMINATION

USAC will only award a contract to a responsible Offeror. USAC will make a responsibility determination based on any available information, including information submitted in an Offeror's proposal. In making a responsibility determination, USAC will consider whether:

1. the Offeror has sufficient resources to perform the Contract;
2. the Offeror has a satisfactory record of performance, integrity and business ethics;
3. the Offeror has the accounting systems and internal controls, quality assurance processes and organizational structure and experience necessary to assure that contract work will be properly performed and accurately invoiced;
4. the Offeror has the facilities, technical and personnel resources required to perform the contract; and
5. the Offeror is not excluded from Government contracting, as listed on the excluded parties list in <https://www.sam.gov>.

APPENDIX A

DESCRIPTION OF BUSINESS PROCESS OUTSOURCING FUNCTIONS

Overview

USAC administers the universal service programs in support of the Federal Communications Commission's (FCC's) work to advance the goals of universal service – that all Americans have access to robust, affordable broadband and voice services. USAC administers the \$10 billion universal service fund (USF), subject to the oversight of the FCC, which is disbursed to companies and institutions that make universal service possible.

The federal Universal Service Schools and Libraries Program, commonly known as the E-rate Program, helps ensure that eligible schools and libraries can obtain high-speed Internet access and telecommunications at affordable rates by providing discounts on eligible data transmission services and Internet access, voice services, internal connections and managed internal broadband services and equipment. The E-rate program delivers approximately \$3.9 billion of support each year to approximately 40,000 applicants encompassing virtually every school district, library system and community across the country. USAC's Schools and Libraries Division (SLD) administers the E-rate program under the oversight of the FCC.

SLD currently has approximately 40 approved full-time equivalents (FTEs) organized around the following functions: Operations, Operational Improvements, Customer Experience, Compliance, Customer Service, and Reporting. In addition, SLD relies on an outsourcing vendor to handle processing work, including application review, appeals, application modifications, and invoicing to support the annual funding process. The majority of these processes are supported by USAC's E-rate Productivity Center (EPC) platform.

In 2014, the FCC issued two orders to modernize E-rate by shifting focus in the program away from voice services, toward broadband services and internal connectivity. These orders established new outcome goals for the program, specifically:

- Ensuring affordable access to high-speed broadband in schools and libraries;
- Maximizing the cost-effectiveness of E-rate spending; and
- Making the E-rate application and other processes fast, simple and efficient.

SLD contributes to the realization of each of these goals, but most notably bears responsibility for making the E-rate application and other processes “fast, simple and efficient.” In July of 2014, the FCC mandated that SLD transition to a fully digital process enabled by a new IT platform to support these efforts. That process was to be in place by the beginning of the 2017 funding year.

Our key goal is to continue to improve operational performance specifically around the funding lifecycle: application submission, application review (funding decision), appeals, application modifications and invoicing to support the annual funding process. While today, the processing activities are handled by an outsourced vendor, USAC is obligated to ensure that the SLD

program is managed in the most fiscally responsible manner possible. USAC must take steps that will give greater visibility into processing performance and continually identify ways to improve processes that will enhance the stakeholder experience and make the distribution of funds as efficient and easy as possible.

Application Process:

USAC receives approximately 40,000 applications for funding during each filing window, which typically remains open from February through May. The initial stage of USAC’s application review process occurs by September 1 of each year.

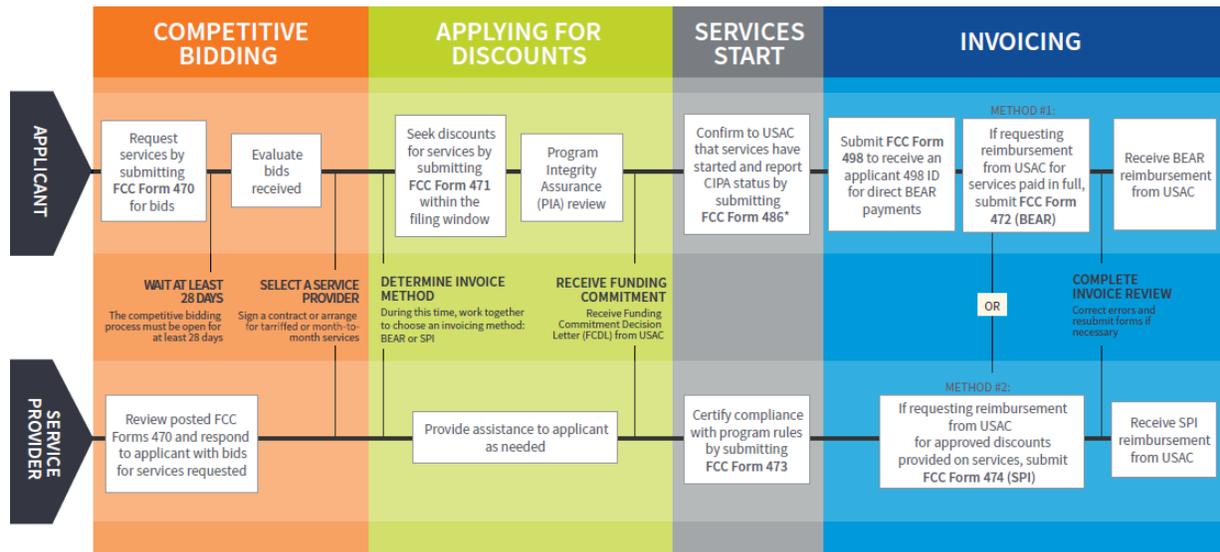
The application process, at a high level, requires applicants to conduct a competitive bidding process for services, submit an application for funding in the form of discounts, confirm receipt of services, and submit invoices to USAC throughout a funding year. This process is illustrated below.



Schools and Libraries (E-rate) Program APPLICATION PROCESS

BEFORE YOU BEGIN:

APPLICANTS: Applicants must first have an entity number and an E-rate Productivity Center (EPC) account.
 SERVICE PROVIDERS: Service providers must first obtain a Service Provider Identification Number (SPIN /service provider 498 ID) by submitting FCC Form 498.



The competitive bidding process is initiated by the applicant’s filing of an FCC Form 470 to identify and request the products and services needed so that potential service providers can review those requests and submit bids. Once the competitive bidding process is complete, bids have been evaluated, and a service provider has been selected, the applicant can submit an FCC Form 471 to apply for funding. The applicant’s FCC Form 471 will then undergo a Program Integrity Assurance (PIA) Review.

Program Integrity Assurance Review

The Program Integrity Assurance (PIA) review is the largest work stream and most complex part of the SLD program handled by the vendor. All applications first go through an automated review process within EPC to identify parts of the funding request which require reviewer intervention. These parts are called exceptions. EPC generates exceptions based on the information contained within the application. Each exception requires review before a decision on the funding request may be made. The review is managed through EPC but requires some manual effort. There are three types of PIA review: General, Heightened Scrutiny and Fiber. Each type of PIA review has a different level of complexity and takes a varying amount of time to complete. The team conducting the application review process must review the application against a voluminous set of guidelines and federal regulations and embodied in internal review procedures. The rules and regulations governing universal service are located in Title 47 of the Code of Federal Regulations, Part 54.

After careful review, a funding decision is delivered to the applicant.

Approximately 40,000 PIA application reviews are conducted annually.

Quality Assurance (QA) For PIA Reviews

Once PIA reviews are complete, the vendor starts the Quality Assurance (QA) process. A selection of applications may go through up to two rounds of QA review to ensure the applications are compliant with procedures and program rules. In addition, USAC has an internal audit team which conducts internal QA reviews to ensure vendor performance.

After the PIA and possible QA review processes are completed, a Funding Commitment Decision Letter (FCDL) containing decisions on the funding request is issued. After receiving an FCDL, an applicant can submit an FCC Form 486 to confirm receipt of services and start the invoicing process.

Post-Commitment Reviews

After receiving an FCDL, applicants submit a number of forms and may request changes to their approved funding requests. These are collectively known as post-commitment reviews. The post-commitment review processes follow a similar pattern to PIA reviews, with up to four (4) possible levels of review, contact with the applicant and/or service provider to resolve any potential program rule violations, and the issuance of a funding decision at the conclusion of the review. Examples include FCC Forms 486 and 500, service substitutions, and service provider changes.

Approximately 40,000 post-commitment reviews are conducted annually.

Invoicing

The vendor is responsible for reviewing all invoices submitted by Schools and Libraries Program participants. Payments of invoices, referred to as disbursements, are made by USAC to either an

applicant via the Billed Entity Applicant Reimbursement Form (FCC Form 472 or “BEAR” Form) or to the service provider via the Service Provider Invoice Form (FCC Form 474 or “SPI” Form). Each invoice is reviewed for completeness to ensure the request matches the approved funding amount, that services were received by the school or library, and that the invoice has been submitted within required timeframes. Unlike applications subject to PIA review, only a few invoices require interaction between the reviewer and the program participant.

There are two invoicing methods. Because funding is provided to pay a discounted portion of the purchase price of services or equipment, applicants can pay for the services in full and then request reimbursement for their discounted share using the BEAR Form. Conversely, service providers can discount a bill for the program participant and invoice for the discounted share using the SPI Form. A description of each of these methods is available on USAC’s website at: <http://www.usac.org/sl/invoicing-changes.aspx>.

All invoices submitted, and all changes or corrections made during the invoicing process, are reviewed for accuracy. Most reviews are automated within systems, but some reviews are performed manually. Processing of an invoice may require the invoicing team to request additional information or make corrections to an invoice request.

The invoicing system performs automated verification of approximately 80% of invoices received. The remainder of the invoices (approximately 90,000 – 110,000 line items) must be verified manually.

Appeals

In the event a program participant does not agree with a decision made by USAC, it can seek further review by filing an appeal with USAC within 60 days following the issuance of the decision.

The vendor is responsible for reviewing issues raised on appeal and preparing decisions within 90 days of receipt of the appeal. The appeals review process may involve reaching out to the program participant for clarification, asking follow-up questions, consulting administrative procedures, and preparing a decision letter with supporting arguments based on detailed guidelines. The issues raised on appeal are generally not novel, but they do require confirmation of facts.

Once an appeal decision has been issued, a party may appeal that decision to the FCC. FCC decisions may result in changes to applicable business processes and standards, and our vendor is responsible for making appropriate adjustments based on FCC directions outlined in such decisions.

USAC receives approximately 2,400 Schools and Libraries Program appeals each year, which are considered on a case-by-case basis.

General Services

Other support activities currently provided by USAC's outside vendor include:

- The review and processing of other federal forms required for participation in the program. These reviews generally require less time to process, and include both automated and manual work.
- Account Maintenance – to reflect changes of relationships with service providers, modifications to services and additional form processing (volume: ~4,000 annually);
- Funding Adjustments – to modify commitment amounts or initiate recovery of funds related to adjustments due to issues raised during audits (volume: ~2,000 annually);
- Document Production – to conduct research and produce documents in support of compliance and enforcement activities. (volume: ~4,000 annually);
- Procedure Documentation – to update all procedures throughout the full lifecycle and ensure changes to the procedures are communicated to the reviewers and vendor staff. (volume: 1,000+ pages); and
- Training – to conduct training throughout the year, for the purpose of onboarding reviewers and ensuring existing staff is apprised of procedural changes and is knowledgeable in a cross-functional way and therefore able to assist in balancing workload in support of lifecycle fluctuations.