

USAC Lifeline Program Evaluation Request for Proposals

SOLICITATION INFORMATION:

Method of Solicitation: Request for Proposal (RFP)
Award Effective Date: TBD
Contract Period of Performance: 6 Months from Effective Award Date
Solicitation Number: LI-20-060
Solicitation Issue Date: April 21, 2020
Offer Due Date: May 15, 2020 at 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
Ecatarina Grant Senior Procurement Specialist P: 202-772-4529 E: ecatarina.grant@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 contractor (“Contractor”) to conduct an independent program evaluation that would guarantee USAC’s Lifeline program meets all mission objectives. The Contractor will be responsible for providing an evaluation that will make certain the availability and affordability of voice and broadband services for low-income Americans exists through the Lifeline program while minimizing the contribution burden on consumers and businesses. USAC is requesting the program evaluation to ensure that Lifeline systems and USAC processes used to administer the Lifeline Program 1) Identifies and reduces waste, fraud, and abuse; 2) Reduces costs to Lifeline Fund and Lifeline providers; and 3) Facilitates consumer choice and improved the enrollment process.

II. Background

Through its administration of the Universal Service Fund (“USF”) programs on behalf of the Federal Communications Commission (“FCC”), USAC works to promote the availability of quality services at 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, schools and libraries across the country, and low income households. 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, 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. In addition to Rural Health Care, USAC also administers the other USF programs: High Cost, Lifeline, and the Schools and Libraries program, which are not in the scope of this solicitation.

USAC strives to provide efficient, responsible stewardship of the USF programs; they are 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 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.

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. Additional information on USAC programs can be found at: <https://www.usac.org/about/>

III. Goals

USAC's desire for this program evaluation is to have a contractor appraise whether USAC's administrative resources are structured to provide reasonable assurance that program goals are met in a cost-effective manner. The vendor will, at a minimum, evaluate the effectiveness and efficiency of USAC's Lifeline procedures and internal controls to include:

- a. Consideration of ETC audits in assessing internal controls.
- b. Assessment of Lifeline reimbursement claim forms and the forms information sufficiency for performance of validations to prevent mistakes and abuse.
- c. Assessment of simultaneous receipt of Lifeline discounts on a consumer's wireless and wireline phone; and
- d. Assessment of ETCs claiming support for a consumer no longer in possession of a prepaid wireless phone.

SECTION B:

Requirements and Scope of Work

I. OVERVIEW OF THE USAC LIFELINE PROGRAM EVALUATION

USAC is seeking an experienced contractor to provide consulting services supporting a thorough evaluation of current procedures and internal controls associated with USAC's Lifeline Division. This program evaluation also requires the Contractor to identify the potential benefits and challenges of using an external business process outsource (BPO) contractor in the future for all or some of the activities currently undertaken directly by the Lifeline staff. USAC expects this effort to be inclusive of all operational procedures, with clear identification of key processes which are deemed to be 'internal' and why.

II. TYPE OF CONTRACT

The contract to be awarded to the selected Contractor pursuant to this RFP will be a firm fixed price single-award contract ("Contract"). The firm fixed price for the work (total project and all line items) is to be set forth in **Attachment 1** to the Contractor Response to the RFP. The firm fixed price is to 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 will not reimburse Contractor for any travel-related expenses.

III. CONTRACT TERM

The term of the Contract shall be twelve (12) months. The term of the Contract shall commence on the Effective Date on which the Contract is signed.

IV. PLACE OF PERFORMANCE

- A. All required Contract services must be performed within the United States at the Contractor site, or USAC Corporate Headquarters as needed.
- B. Other locations at which the Contractor may be required to perform field work in performance of this contract include:
 - a. FCC (Lifeline regulatory authority), Washington, DC
 - b. Lifeline Eligible Telecommunications Carriers at their respective sites in the United States

- C. 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.
- D. Services requiring work at USAC Headquarters will include appropriate work space and appropriate access to USAC's computer network. No hardware will be provided. **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 systems of record under the Privacy Act of 1974.**
- E. Status update meetings and other meetings may be held onsite or virtually, except to the extent that USAC or the Contractor requires in-person presence. While attending 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.

V. USAC 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").

VI. PERFORMANCE REQUIREMENTS

- A. Contractor must be an independent and objective consultant capable of conducting a thorough program evaluation of USAC's administration of the Lifeline program, as more specifically described below, to identify all risks to meeting the Lifeline program's objectives:
 - 1. The Contractor shall provide services supporting the evaluation to include assessments of the Program's ability to:

- a. Ensure the availability and affordability of voice service for low-income Americans;
 - b. Ensure the availability and affordability of broadband service for low-income Americans;
 - c. Minimize the contribution burden on consumers and businesses;
 - d. Ensure the National Verifier, other Lifeline systems and the process used by USAC to administer the Lifeline Program meets the following three objectives:
 - i. Identifies and reduces waste fraud and abuse;
 - ii. Reduces costs to Lifeline Funds and Lifeline providers; and
 - iii. Facilitates consumer choice and improves the enrollment process.
2. The program evaluation will assess whether USAC's administrative resources are structured to provide reasonable assurance that program goals are met in a cost-effective manner and that risks are appropriately targeted and addressed. Among the matters to be addressed in the program evaluation are the findings and concerns about the administration of the program set forth in the October 2010 report of the Government Accountability Office ("GAO") titled: "Improved Management Can Enhance FC Decision Making for the Universal Service Fund Low-Income Program," GAO 11-11, <https://www.gao.gov/assets/320/312708.pdf>. ("GAO 2010 Lifeline Report") and the Commission's 2016 Lifeline Order, FCC 16-38, paras. 404-410, <https://www.fcc.gov/document/fcc-modernizes-lifeline-program-low-income-consumers>.
3. Contractor must be familiar with the FCC's rules governing the Lifeline program located at 47 C.F.R. §§ 54.401 - 54.423 and 47 C.F.R. § 54.701 through § 54.725. Additionally, the Contractor must be generally familiar with the FCC decisions and orders regarding the Lifeline program. USAC will provide the Contractor with a list of the orders most relevant to the work to be performed under this procurement. Commission orders can be located at the following link at the FCC's website <https://www.fcc.gov/general/lifeline-program-low-income-consumers#block-menu-block-4>. Additional materials relevant to the Lifeline program may be found on the USAC public website.
4. Contractor must be an independent and objective consultant capable of conducting a robust evaluation of the Lifeline program, as more specifically described below:
 - a. Evaluate whether USAC's performance objectives for its administration of the Lifeline program are clear and consistent.
 - b. Evaluate the effectiveness and efficiency of USAC's Lifeline procedures and internal controls.
 - i. Adequate consideration of ETC audits in assessing internal controls. *See GAO 2010 Lifeline Report* at p. 37.
 - ii. Lifeline reimbursement claim forms provide sufficient information to perform validations to prevent mistakes and abuse. *See GAO 2010 Lifeline Report* at p. 35.

- iii. Simultaneous receipt of Lifeline discounts on a consumer's wireless and wireline phone *See GAO 2010 Lifeline Report* at p. 35-36.
 - iv. ETC's claiming support for a consumer no longer in possession of a prepaid wireless phone. *See GAO 2010 Lifeline Report* at p. 36.
- 5. Evaluate whether audit findings are effectively used to assess and modify USAC's internal administrative controls. In doing so, Contractor shall examine whether a systematic process is in place which analyzes audit findings and results of investigations performed by the FCC Enforcement Bureau and the Office of Inspector General of sufficient quantity, scope, and appropriately targeted base on risk. For this effort, audits may include the Beneficiary and Contributor Audit Program (conducted by USAC), Payment Quality Assurance reviews (conducted by USAC), biennial audits (conducted by ETCs), forensic and holding company audits, and audits conducted by the FCC Office of Inspector General. The Contractor shall evaluate the most significant problems identified in recent Lifeline audits, including but not limited to, ineligible subscribers, lack of subscriber information, such as missing dates of birth and last four digits of social security numbers, missing certification and recertification documents, insufficient recordkeeping by ETCs of subscriber eligibility, and inaccurate Form 555 reporting. Contractor may obtain these audits from USAC or the FCC.
- 6. Evaluate whether the current USAC audit process could be modified to make it more effective and efficient.
- 7. Evaluate whether the current Payment Quality Assurance process could be modified to make it more effective and efficient.
- 8. Evaluate whether the current Payment Quality Assurance process is adequate to meet the Office of Management and Budget requirements for determining Improper Payments error rate for the Lifeline Program, including whether such process is sufficient to identify fraudulent methods or activities in the Lifeline Program.
- 9. Consider the oversight responsibility of the USAC Board of Directors for the Lifeline Program and whether such oversight is effective. The Contractor shall evaluate the USAC Board of Directors' role and responsibilities including areas such as but not limited to: oversight structure; oversight for the internal control systems and input into remediation of deficiencies. The Contractor shall provide recommendations to improve the USAC Board of Directors' oversight of the internal controls system for the Lifeline program.
- 10. Consider the oversight responsibility of USAC Management for the Lifeline Program and whether such oversight is effective. The Contractor shall evaluate USAC Management's role and responsibilities including areas, such as but not limited to,

oversight structure, oversight for the internal control system, and input for remediation of deficiencies. The Contractor shall provide recommendations to improve USAC Management's oversight of the internal control system for the Lifeline program.

11. Review the fraud risk assessments previously conducted by USAC for the FCC, and confer with those who conducted them, to obtain more specific support for the conclusion that 20 of 24 control measures evaluated were directed at low or very low risks. Propose recommendations to design more cost-effective cost control measures that would target higher risks.
12. Assess the effectiveness and efficiency of USAC's organizational structure and management practices (including contractors that may be used from time to time). Consistent with the 1999 GAO Internal Control Report, such an assessment shall take into account (among other factors) the following: management practices; hiring criteria; employee training; lines of reporting; supervision processes; and delegation of operating activities.
13. Evaluate control activities for specific information systems, as described in the 1999 GAO Internal Control Report (at 16-18). At a minimum, the risk assessment shall evaluate whether the computer systems USAC has adopted for inputting and processing applications and invoices is both reliable and sufficiently flexible to incorporate Lifeline Program changes promptly and efficiently. The risk assessment shall also evaluate the feasibility of adding more online or automated processes. In addition, computer backup systems and recovery systems shall be evaluated.
14. Evaluate the reliability of USAC administration of the FCC Lifeline program policy, including implementation and the timeliness of implementation of FCC rules, orders and other official guidance, and assess whether and how USAC reporting of information to the FCC and coordination with the FCC could be improved. Evaluate the sufficiency of the procedures and practices employed by USAC to ensure they (including interpretive statements on its website or practices utilized in its procedures) have been sufficiently coordinated with and approved by the Commission.
15. Evaluate the training provided to USAC's employees and its subcontractors, and whether it is sufficient to ensure they are providing the correct information to consumers and ETCs.

16. Evaluate whether the information provided by USAC employees (and its subcontractors) to consumers and ETCs is accurate and timely.
17. Evaluate the adequacy of Lifeline program documentation, including policies, procedures, and process narratives, in accordance with Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control, M-16-17 (July 15, 2016) (Circular A-123). The Contractor shall determine whether USAC assesses the risk of Lifeline processes and controls in accordance with OMB Circular A-123.
18. Evaluate and determine whether USAC manages cash and cash reserves maintained in the Lifeline program effectively and efficiently in accordance with U.S. Generally Accepted Accounting Principles, including, for example, an evaluation of USAC's practices around maintaining cash reserves for appeals. In addition, the Contractor shall review and evaluate USAC's financial management practices, including an evaluation of the reserves practices.
19. Review the Lifeline application process, including both the mail and online processes, to determine whether the process is overly burdensome or too complex for the average Lifeline applicant. In addition, evaluate whether USAC's requirements regarding the documentation consumers can submit to evidence eligibility in qualifying programs are in compliance with FCC rules. Evaluate whether the documentation requirements are reasonable and determine how/if they impact program participation.

VII. SCOPE OF SERVICES AND DELIVERABLES

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

A. *Deliverables Overview and Submission Requirements:* Contractor shall utilize experiences and best practices gained from conducting previous business and operational assessments to articulate the program evaluation deliverables format, context, and content. At a minimum, Contractor shall include the following areas within its assessment:

1. Project Plan
2. Fieldwork and associated reports
3. Final Written Report

- B. *Project Plan.* The Contractor will provide a sample Project Plan and breakdown of the required components with the proposal response, which should be based on Contractor's past successful evaluations and methodology for conducting an valuation of the type requested in this SOW.
1. Contractor shall submit a detailed project plan that addresses the requirements set forth in this Section B to USAC and FCC for USAC's approval within 60 days of the Effective Date, unless USAC and the FCC concur in a later date. Before developing its plan, Contractor shall meet with staff of USAC and the FCC to obtain detailed information about the Lifeline Program and such other input as may be relevant to formulation of the project plan. Contractor may not begin fieldwork until USAC and the FCC have approved the project plan. The project plan shall describe all tasks to be undertaken and completed by Contractor through presentation of the final report. Contractor shall use Microsoft Project as its planning and presentation tool. Contractor may request USAC approval for changes to tasks and/or start/finish dates for tasks in the project plan. USAC will determine whether such changes are appropriate.
 2. During the project kick-off meeting within five (5) business days of the Contract start date, the Contractor will establish a project plan to be approved by the USAC Executive Sponsor, as well as review the sample Contractor Project Plan provided with the proposal response.
 3. Additionally, Contractor will be required to develop and present a final Lifeline Program Evaluation Project Plan within ten (10) days of the project kick-off meeting. This plan will then become the baseline for management of the overall project. All changes to the final approved Project Plan shall be reviewed and approved by USAC.
 4. The Project Plan shall describe all tasks to be performed and completed by Contractor beginning at the Contract Kick-Off through submission of the Final Report. Contractor shall use Microsoft Office products, Microsoft Visio and Project as the required presentation tools.
 5. Upon approval of the Final Project Plan by USAC, Contractor shall comply with all aspects of the project plan, and update the project plan as necessary and as requested by USAC throughout the life of the project.
- C. *Fieldwork:* Contractor shall utilize experiences and best practices gained from conducting risk assessments to articulate the Lifeline Assessment deliverables format, context, and content.

1. Fieldwork associated with the program evaluation shall be completed no later than six months after the Effective Date, or by such other date set forth in the project plan approved under Section B.VII.B.
 2. During the performance of the engagement, Contractor (as well as its agents and employees) shall meet and communicate frequently with USAC and the FCC to discuss project status. Status meetings shall be held at the discretion of USAC, but at least once every two weeks unless Contractor is notified of a different schedule by USAC. Meetings may be held telephonically at the discretion of USAC. At each meeting, a written status report shall be provided to USAC and the FCC, covering the period since the last meeting that includes a description of tasks accomplished since the last meeting and any challenges experienced by Contractor in performing its duties, including alternative strategies for accomplishing its tasks, as appropriate. Contractor shall also provide an update to the Microsoft Project plan during such meetings. The update shall reflect the most current status for project plan tasks in the “Complete” and “Status” fields of the project plan.
 3. At the completion of its fieldwork, the Contractor shall submit to USAC and the FCC a written representation of completion of all fieldwork. See Section D, Attachment 1. Contractor’s submission shall also include copies of all working papers, including interview summaries, notes taken and other documents associated with the project. The working papers shall be provided to USAC and the FCC on electronic media. Handwritten notes may be scanned and provided in PDF format, without password or other types of protection.
- D. *Final Report.* Contractor shall submit to USAC (with a copy to the FCC) a written, draft final report no later than 60 days following completion of fieldwork, or at such other date specified in the project plan approved under subsection (f)(2). The draft final report shall fulfill the requirements set forth below for the final report in section (g) below. After receiving comments on the draft report from USAC and the FCC, Contractor shall make such revisions to the report as it considers appropriate. The final report shall contain Appendices with Contractor’s responses to any substantive comments received from USAC and the FCC.
1. Contractor’s final written report (the “Final Report”) shall be provided to USAC (with a copy to the FCC) no later than 30 days after its receipt of comments from USAC and the FCC, or at such other date as may be established by the project plan. The final report shall be submitted in Microsoft Word (unprotected) and PDF formats.
 2. The written report shall satisfy the requirements of Section B except to the extent stated otherwise in this section, each written deliverable shall be submitted in hard

copy and electronically in Microsoft Office format, unprotected. Contractor shall submit all reports in a form and on media reasonably acceptable to USAC. Contractor shall provide all deliverables to:

Universal Service Administrative Company Attention: **[ADD USAC CONTACT]**

Courtesy copies shall also be provided electronically to the FCC, addressed to:

Mark Stephens: Mark.Stephens@fcc.gov, Office of the Managing Director, Federal Communications Commission 445 12th Street SW, Washington, DC 20554

Thomas Buckley: Thomas.Buckley@fcc.gov, Office of the Managing Director, Federal Communications Commission 445 12th Street SW, Washington, DC 20554

Jodie Griffin: Jodie.Griffin@fcc.gov, Telecommunications Access Policy Division Wireline Competition Bureau Federal Communications Commission 445 12th Street SW, Washington, DC 20554

3. Contractor shall use Microsoft Project as its planning and presentation tool. Contractor may request USAC approval for changes to tasks and/or start/finish dates for tasks in the project plan. USAC will determine whether such changes are appropriate.
- E. The Contractor shall complete the tasks identified in this Section B and provide deliverable items to the designated USAC POC in accordance with the timeframes set forth herein, or any changes thereto as set forth in the agreed upon schedule in Contractor's approved project plan.

VIII. 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. The Contractor shall discuss the 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. The project plan should detail the agile process for reporting and remediating critical and high findings prior to issuing the final deliverables. 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. *Weekly Status Meetings*
- a. Key personnel must schedule and participate in weekly status meetings (on-site if deemed appropriate 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 once per week. The report must include the current status for each of the project work streams including percentage of completion, accomplishments for the week, and any project risks or issues (with mitigation strategies), and issues pertaining 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 weekly status meeting and no later than Thursday noon (12:00 PM ET) during weeks in which the meeting is scheduled for Monday or when no status meeting is scheduled. The Weekly Status Report and the Project Plan shall be used as the basis of the status meeting discussion.
3. *Milestone Status Meetings.* Key personnel must be prepared to present each milestone and its status either in-person or remotely, as directed by USAC. For revision rounds, key personnel should be prepared to walk through any editing round questions either in-person or remotely, as directed by USAC. Key personnel must be prepared to provide interim deliverable updates, as requested by USAC.
4. *Deliverable Review Meetings.* Key personnel must be prepared to present each deliverable either in-person or remotely, as directed by USAC. For revision rounds, key personnel should be prepared to walk through any editing round questions either in-person or remotely, as directed by USAC.
5. *Accessibility.* Key personnel must be accessible via telephone or email during standard business hours, Monday through Friday (8:00 AM - 6:00 PM ET).

Key Personnel. The Contractor shall provide staffing for the sample labor categories below, or the Contractor may propose other 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.

1. *Senior Project Manager (PMP Certified).* The Contractor shall designate one (1) key personnel to oversee the project and act as the day-to-day contact for USAC. At least 10+ years of experience with project management including planning, organizing, directing, controlling and financial management. Provides overall leadership for project tasks and development of project deliverables. Ensures deliverables meet project scope and project owner expectations, and provides guidance and direction to team. Interfaces with project owners and business product owners, oversees execution of scope of work. Responsible for the timeliness and budget of all project tasks.
2. *Senior Process Consultant.* The Contractor shall designate key personnel to support assessment and analysis of business and operational processes and procedures. At least 10+ years of experience with guiding and advising organizations through a wide range of management, organizational and business improvement and modernization initiatives by applying continuous process improvement strategies, methodologies and principles. Develops business methods for problem solving, process change and solutions implementation ensuring enterprise-wide integration. Identifies best practices, assesses performance measurement and researches, collects and verifies data and translates it into strategic and operational guidance. Provides group facilitation, interviewing, training and other forms of knowledge transfer. Areas of focus include but are not limited to identifying and eliminating duplication, outsourcing opportunities, streamlining, centralizing, business transformation, business process redesign and modeling, and quality improvement.

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. “Offeror” means an entity submitting a formal proposal in response to this Solicitation.
- E. “Services” means the tasks, services, functions and responsibilities described in Section B and in the Contract issued hereunder.
- F. “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. *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.

- D. *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.
- E. *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. 800-171, rev. 1, or the latest version), and comply with all FISMA requirements.

Safeguarding of Covered Contractor Information Systems:

The Contractor shall apply the following minimum safeguarding requirements and procedures to protect covered Contractor information systems. Contractor shall provide USAC with copies of its security policies and procedures to review upon request. 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.

XX. TECHNOLOGY CONSIDERATIONS

For RFIs, RFPs, and/or contracts involving the acquisition of Commercial off-the-shelf (COTS) software:

Commercial off-the-shelf (COTS) or Software as a Service (SaaS) software deployed in the cloud or on USAC's on-premise infrastructure must satisfy the following requirements:

- The product must be able to utilize USAC's instance of OKTA's Identity and Access Management software for user authentication.
- OKTA is a cloud-based Identity and Access Management product used by USAC.
- Any USAC data stored in a COTS/SaaS product database must be easily accessed by USAC via standard web services or another standard access mechanism

For RFIs, RFPs, and/or contracts involving the development of custom software for Universal Service Fund (USF) systems (Lifeline, High Cost, Rural Healthcare, Schools and Libraries, Contributors):

Custom software developed for Universal Service Fund programs (Lifeline, High Cost, Rural Health Care, Schools and Libraries) shall reuse the USAC Technical Stack unless the contractor demonstrates that those components are unable to meet the requirements. Key components of USAC's Technical Stack include the following:

- Java programming language
- OKTA (Identity and Access Management)
- Postgres (Relational Database Management System)
- Elastic Search, Logstash, Kibana
- Atlassian based tools (SDLC)
- Apache Tomcat (Application Servers)
- Red Hat Enterprise Linux
- Business Intelligence, Reporting, Geographical Information System, and Data Warehouse tools

Further details of USAC's technical stack will be provided during the down-selection process.

XXI. 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.

XXII. 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 provide security training to its own employees. USAC will review and approve Contractor's security training materials and verify that training certifications and records will be provided upon request, if requested during the annual FISMA audit. If Contractor employees will be in USAC offices or have access to USAC IT systems, pursuant to NIST, Contractor shall conduct background checks on its employees and provide evidence of the background checks to USAC upon request. If Contractor employees will be in USAC offices or have access to USAC IT systems, background checks are required pursuant to NIST.

XXIII. 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.

XXIV. 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.

XXV. 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.

XXVI. 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.

XXVII. 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.

XXVIII. 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.

XXIX. 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.

XXX. 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.

XXXI. 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.

XXXII. 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.

XXXIII. 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.

XXXIV. 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.

XXXV. 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.

XXXVI. 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.

XXXVII. 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.

XXXVIII. 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: Resumes for Selected Key and Non-Key Personnel

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.VIII. 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 **May 15, 2020** (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, LI-20-060, of this RFP.

C. PROPOSAL SCHEDULE

DATE	EVENT
April 21, 2020	RFP Released
April 29, 2020	Questions Due to USAC by 11:00 AM ET at rfp@usac.org
May 1, 2020	Answers posted by USAC
May 15, 2020	Proposal Due to USAC by 11:00 AM ET at rfp@usac.org
May 21-22, 2020	Potential date for oral discussions, if necessary
May 25, 2020	Final Proposal Revisions due
May 29, 2020	Anticipated Award Date
June 1, 2020	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 data universal numbering system ("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 including current USAC vendors 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. A summary detailing Offeror's business and operational process assessment experience with federal systems and compliance with FISMA/NIST in addition to a brief summary of the Offeror's experience performing systems and operations analyses.
3. 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.

4. 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.
5. 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.
6. Timeline. Offerors shall describe in detail their process for conducting activities to manage the USAC Lifeline Program Evaluation, including how the Offeror intends to staff and complete these activities. Offerors shall describe in detail their plan for completing the business and operational consulting services as identified in Section B.VIII. in a time allotted. If Offeror currently has staff or personnel who meet the qualifications for the services identified in Section B.VIII., and who are available for assignment under an awarded contract, please provide a resume (not to exceed two (2) pages per resume) that includes their educational background, specific job and related experience, and the specific position(s) for which they are available on the Contract.
 - a. Offeror shall provide an evaluation report that highlights their expertise in conducting these type of analyses. The Contractor’s responses associated with the Lifeline Program Evaluation will be an inherent part of the evaluation conducted by USAC.
7. Experience. Describe your firm’s experience with analysis and assessment of Federal programs such as grants management, financial management, operations management, and others of similar size and scope. Provide examples of projects and personnel to include project scope, size, and complexity, and types of positions with length of assignments.

8. **Key Personnel.** Identify by name all key personnel. Describe the technical knowledge 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 Project Manager have at least 10+ years of experience with project management including planning, organizing, directing, controlling and financial management while in the role of Project Manager. Provide two (2) clients in which the proposed Project 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 2**) to the technical volume, no longer than two (2) pages in length per resume.
 - b. If Contractor, at the 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 three (3) current or recently completed contracts (no older than 3 years from the date of the solicitation) 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);
 - (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;
 - (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**.
 - a. The fixed Lifeline Program Evaluation activities prices should be *fully burdened* and must include wages, overhead, 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 fifteen (15) pages including Cover page; however excluding **Attachment 2** (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, how recent the project is (no older than 3 years from the date of the solicitation), and quality of the Offeror's past performance on past or current contracts for the same or similar services. Past performances 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 the firm fixed price, 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 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>.