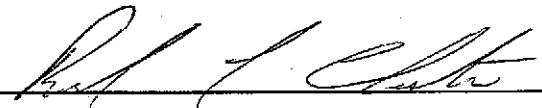


AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING		PAGE OF PAGES 1 74	
2. CONTRACT (Proc. Inst. Ident.) NO. 50-PAPT-3-00043		3. EFFECTIVE DATE See Page 2		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. C1260P9300013			
5. ISSUED BY CODE		6. ADMINISTERED BY (If other than Item 5) CODE					
U.S. Patent and Trademark Office Office of Procurement 2011 Crystal Drive, CPK-1, Room 810 Arlington, VA 22202							
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code) Management and Technology Associates, Inc. (MTA, Inc.) 2225 Drake Avenue, Suite 8 Huntsville, AL 35805-5146				8. DELIVERY See Section F <input type="checkbox"/> FOB ORIGIN <input type="checkbox"/> OTHER (See below)			
				9. DISCOUNT FOR PROMPT PAYMENT Net 30			
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN:		ITEM See Block 12					
CODE		FACILITY CODE					
11. SHIP TO/MARK FOR CODE		12. PAYMENT WILL BE MADE BY CODE					
See Section F		U.S. Patent and Trademark Office Office of Finance, CPK-1, Room 802, Box 17 Washington, DC 20231					
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input checked="" type="checkbox"/> 41 U.S.C. 253(c)(5)		14. ACCOUNTING AND APPROPRIATION DATA 93 A 00 00750 160100 2597					
15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT		
	See Section B						
15G. TOTAL AMOUNT OF CONTRACT						\$ NTE \$500,000	
16. TABLE OF CONTENTS							
W)	SEC.	DESCRIPTION	PAGE(S)	W)	SEC.	DESCRIPTION	PAGE(S)
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X	C	DESCRIPTION/SPECS./WORK STATEMENT	16-30	X	J	LIST OF ATTACHMENTS	74
X	D	PACKAGING AND MARKING	31	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	32	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		Inc. b.
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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 4 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or print) See Page 2				20A. NAME OF CONTRACTING OFFICER See Page 2			
19B. NAME OF CONTRACTOR BY _____ (Signature of person authorized to sign)		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)		20C. DATE SIGNED	


TRIPARTITE AGREEMENT

SUBCONTRACTOR: MTA, INCORPORATED

By:  Date: 8-19-93

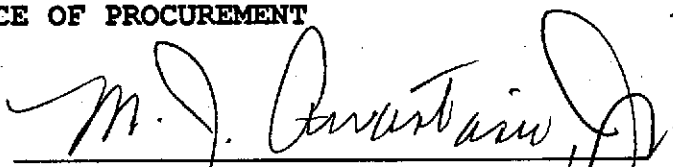
Name & Title: ROBERT T. EINSTEIN PRESIDENT

SMALL BUSINESS ADMINISTRATION
UNITED STATES OF AMERICA

By:  Date: AUG 19 1993

Name & Title: JAMES B. HUNTER
Contracting Officer

U.S. PATENT AND TRADEMARK OFFICE
OFFICE OF PROCUREMENT

By:  Date: 19 AUG 1993

Name & Title: Michael J. Anastasio, JR.
Contracting Officer

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 BURDENED HOURLY RATES

The fixed hourly rates for each labor category shall include all direct labor costs, indirect costs, overhead, general and administrative (G&A) expenses, and profit. Fixed hourly rates are divided into two categories: (1) labor rates when work is to be performed onsite at the Government facility and (2) labor rates when work is to be performed at the Contractor's facilities.

B.2 CEILING PRICE

- (a) The ceiling price as set forth in FAR clause 52.232-7, Payments under Time-and-Materials and Labor-Hour Contracts, Alternate II (see Section I), will be established for each individual task order. The Contractor shall not make expenditures or incur obligations in the performance of any task order which will exceed the ceiling price specified in the task order, except at the Contractor's own risk.
- (b) The combined value of all task orders issued under this contract may not exceed \$2,900,000.

B.3 SCHEDULE OF ITEMS AND PRICES -- LABOR-HOURLOT I - BASE YEAR - Date of Award through 12 months thereafter

LOT I (A) -- Fixed Hourly Rates -- Work Performed at Government Facility

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
001	Program Manager	\$59.33
002	Business Process Re-engineering Task Manager	\$63.55
003	Business Process Re-engineering Senior Analyst	\$58.25
004	Business Process Re-engineering Junior Analyst	\$32.62
005	Financial Analyst	\$46.60
006	Business Process Improvement Senior Facilitator	\$45.77
007	Business Process Improvement Junior Facilitator	\$38.14
008	Business Process Re-engineering Senior Tool Operator	\$33.91
009	Business Process Re-engineering Junior Tool Operator	\$29.65
010	Business Process Re-engineering Scribe	\$26.43

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
011	Business Process Re-engineering Task Manager	\$78.91
012	Business Process Re-engineering Senior Analyst	\$70.89
013	Business Process Re-engineering Junior Analyst	\$40.55
014	Human Resource Specialist	\$70.89
015	Financial Analyst	\$58.48
016	Business Process Improvement Senior Facilitator	\$56.73
017	Business Process Improvement Junior Facilitator	\$47.88
018	Business Process Re-engineering Senior Tool Operator	\$41.63
019	Business Process Re-engineering Junior Tool Operator	\$37.34
020	Business Process Re-engineering Scribe	\$37.34

LOT I (B) -- Fixed Hourly Rates -- Work Performed at Contractor's Facilities

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
021	Program Manager	\$66.94
022	Business Process Re-engineering Task Manager	\$71.71
023	Business Process Re-engineering Senior Analyst	\$65.74
024	Business Process Re-engineering Junior Analyst	\$36.80
025	Financial Analyst	\$52.59
026	Business Process Improvement Senior Facilitator	\$51.64
027	Business Process Improvement Junior Facilitator	\$43.03
028	Business Process Re-engineering Senior Tool Operator	\$38.26
029	Business Process Re-engineering Junior Tool Operator	\$33.46
030	Business Process Re-engineering Scribe	\$29.84
031	Clerk Typist	\$23.90

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
032	Business Process Re-engineering Task Manager	\$78.91
033	Business Process Re-engineering Senior Analyst	\$70.89
034	Business Process Re-engineering Junior Analyst	\$40.55
035	Human Resource Specialist	\$70.89
036	Financial Analyst	\$58.48
037	Business Process Improvement Senior Facilitator	\$56.73
038	Business Process Improvement Junior Facilitator	\$47.88
039	Business Process Re-engineering Senior Tool Operator	\$41.63
040	Business Process Re-engineering Junior Tool Operator	\$37.34
041	Business Process Re-engineering Scribe	\$37.34
042	Clerk Typist	\$16.82

LOT II - FIRST OPTION YEAR - 13th Month through 24th Month

LOT II (A) -- Fixed Hourly Rates -- Work Performed at Government Facility

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
043	Program Manager	\$61.69
044	Business Process Re-engineering Task Manager	\$66.07
045	Business Process Re-engineering Senior Analyst	\$60.59
046	Business Process Re-engineering Junior Analyst	\$33.92
047	Financial Analyst	\$48.47
048	Business Process Improvement Senior Facilitator	\$47.59
049	Business Process Improvement Junior Facilitator	\$39.67
050	Business Process Re-engineering Senior Tool Operator	\$35.26
051	Business Process Re-engineering Junior Tool Operator	\$30.84
052	Business Process Re-engineering Scribe	\$27.49

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
053	Business Process Re-engineering Task Manager	\$82.07
054	Business Process Re-engineering Senior Analyst	\$73.72
055	Business Process Re-engineering Junior Analyst	\$42.17
056	Human Resource Specialist	\$73.72
057	Financial Analyst	\$60.82
058	Business Process Improvement Senior Facilitator	\$59.00
059	Business Process Improvement Junior Facilitator	\$49.79
060	Business Process Re-engineering Senior Tool Operator	\$43.30
061	Business Process Re-engineering Junior Tool Operator	\$38.83
062	Business Process Re-engineering Scribe	\$38.83

LOT II (B) -- Fixed Hourly Rates -- Work Performed at Contractor's Facilities

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
063	Program Manager	\$69.61
064	Business Process Re-engineering Task Manager	\$74.57
065	Business Process Re-engineering Senior Analyst	\$68.37
066	Business Process Re-engineering Junior Analyst	\$38.27
067	Financial Analyst	\$54.71
068	Business Process Improvement Senior Facilitator	\$53.71
069	Business Process Improvement Junior Facilitator	\$44.76
070	Business Process Re-engineering Senior Tool Operator	\$39.79
071	Business Process Re-engineering Junior Tool Operator	\$34.80
072	Business Process Re-engineering Scribe	\$31.01
073	Clerk Typist	\$24.86

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
074	Business Process Re-engineering Task Manager	\$82.07
075	Business Process Re-engineering Senior Analyst	\$73.72
076	Business Process Re-engineering Junior Analyst	\$42.17
077	Human Resource Specialist	\$73.72
078	Financial Analyst	\$60.82
079	Business Process Improvement Senior Facilitator	\$59.00
080	Business Process Improvement Junior Facilitator	\$49.79
081	Business Process Re-engineering Senior Tool Operator	\$43.30
082	Business Process Re-engineering Junior Tool Operator	\$38.83
083	Business Process Re-engineering Scribe	\$38.83
084	Clerk Typist	\$17.50

LOT III - SECOND OPTION YEAR - 25th Month through 36th Month

LOT III (A) -- Fixed Hourly Rates -- Work Performed at Government Facility

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
085	Program Manager	\$64.16
086	Business Process Re-engineering Task Manager	\$68.72
087	Business Process Re-engineering Senior Analyst	\$63.02
088	Business Process Re-engineering Junior Analyst	\$35.28
089	Financial Analyst	\$50.42
090	Business Process Improvement Senior Facilitator	\$49.50
091	Business Process Improvement Junior Facilitator	\$41.25
092	Business Process Re-engineering Senior Tool Operator	\$36.66
093	Business Process Re-engineering Junior Tool Operator	\$32.06
094	Business Process Re-engineering Scribe	\$28.59

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
095	Business Process Re-engineering Task Manager	\$85.35
096	Business Process Re-engineering Senior Analyst	\$76.67
097	Business Process Re-engineering Junior Analyst	\$43.86
098	Human Resource Specialist	\$76.67
099	Financial Analyst	\$63.25
100	Business Process Improvement Senior Facilitator	\$61.36
101	Business Process Improvement Junior Facilitator	\$51.78
102	Business Process Re-engineering Senior Tool Operator	\$45.03
103	Business Process Re-engineering Junior Tool Operator	\$40.38
104	Business Process Re-engineering Scribe	\$40.38

LOT III (B) -- Fixed Hourly Rates -- Work Performed at Contractor's Facilities

CONTRACTOR RATES--MTA, Inc.

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
105	Program Manager	\$72.40
106	Business Process Re-engineering Task Manager	\$77.56
107	Business Process Re-engineering Senior Analyst	\$71.10
108	Business Process Re-engineering Junior Analyst	\$39.82
109	Financial Analyst	\$56.90
110	Business Process Improvement Senior Facilitator	\$55.86
111	Business Process Improvement Junior Facilitator	\$46.55
112	Business Process Re-engineering Senior Tool Operator	\$41.38
113	Business Process Re-engineering Junior Tool Operator	\$36.18
114	Business Process Re-engineering Scribe	\$32.26
115	Clerk Typist	\$25.84

SUBCONTRACTOR RATES--PRICE WATERHOUSE

<u>Item No.</u>	<u>Personnel Classification</u>	<u>Not to Exceed Fixed Hourly Rates</u>
116	Business Process Re-engineering Task Manager	\$85.35
117	Business Process Re-engineering Senior Analyst	\$76.67
118	Business Process Re-engineering Junior Analyst	\$43.86
119	Human Resource Specialist	\$76.67
120	Financial Analyst	\$63.25
121	Business Process Improvement Senior Facilitator	\$61.36
122	Business Process Improvement Junior Facilitator	\$51.78
123	Business Process Re-engineering Senior Tool Operator	\$45.03
124	Business Process Re-engineering Junior Tool Operator	\$40.38
125	Business Process Re-engineering Scribe	\$40.38
126	Clerk Typist	\$18.20

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 STATEMENT OF WORK/SPECIFICATIONS

The Contractor shall furnish the necessary personnel, services and facilities (except as otherwise specified), to perform the following Statement of Work/Specifications.

C.2 BACKGROUND

In the early 1980's the Patent and Trademark Office (PTO) embarked on a large automation effort intended, at the time, to result in the establishment of a "paperless" office for the processing of patent and trademark applications. Considerable progress has been made in the area of electronic searching, generally referred to as Examiner Search Systems (APS/ESS). The PTO is now planning the development and implementation of automated systems which will have a significant impact on PTO business processes. One element of the PTO automation plan is the implementation of a Patent Application Management (APS/PAM) System which envisions that information contained in U.S. and international applications (application files under the terms of the Patent Cooperation Treaty or PCT) presently maintained in paper form will be received, processed, and maintained electronically. An APS/PAM concept of operations has been developed which describes the envisioned APS/PAM processes in broad terms. Cost-benefit analysis indicates that substantial economies and savings will result from the implementation of the APS/PAM System, potentially approaching \$1 billion over a twenty-year period.

The PTO is separately procuring the services of an APS/PAM development/integration contractor who will be responsible for the detailed design, development, integration and implementation of the APS/PAM System (the "APS/PAM development/integration contract(or)"). The APS/PAM development/integration contract is scheduled to be awarded in the summer of 1994.

This contract for Business Process Re-Engineering (BPR) services is intended to provide the PTO with support services that will enable the PTO to perform a comprehensive range of BPR activities and analyses. One function of this effort will be to provide the APS/PAM development/integration contractor with a comprehensive

set of data and documentation that will facilitate the development of a detailed APS/PAM design.

In addition, the PTO has recognized that BPR efforts must not be limited to those processes which will be affected by the APS/PAM System. The Contractor will assist the PTO in a comprehensive analysis leading to the re-design of virtually all aspects of PTO operations. The efforts associated with APS/PAM will constitute only one early area of BPR concentration.

The PTO is also mindful that the implementation of radically different business processes presents significant challenges in areas as diverse as labor management relations, training, space management, and public relations. The Contractor will assist the PTO in the development of transition plans designed to minimize disruption of services to inventors, trademark registrants and other users of PTO's information services.

A variety of documents such as those listed below shall be provided to the Contractor to familiarize itself with PTO processes and plans:

- o FY 1995 Information Technology Plan (Draft)
- o FY 1993 Information Systems Strategic Plan
- o Managed Evolutionary Development (MED) Guidebook and Technical Notes
- o 1993-1997 PTO Long Range Plan
- o 1994-1998 PTO Planning Progress Report
- o FY 1994 PTO Congressional Budget
- o PTO Authorization Act (P.L. 102-204 - December 10, 1991)
- o PTO Organization Order and Chart (DOO 30-3)
- o Miscellaneous PTO Organization Charts
- o PTO Business Process Re-engineering Project Plan (Draft: July 23, 1993)
- o PAM Strategic Documents (February 1993)
- o PTO Business Process Re-engineering Framework and Business Re-engineering Team Charter (July 24, 1993)

C.3 SCOPE

This contract will be used to obtain a wide range of support services in the areas of BPR, Activity Based Costing (ABC), Functional Economic Analysis (FEA), Functional Process Improvement (FPI) and the development of models supporting such efforts, including but not limited to Integrated Definition for Function and Information Modeling (IDEF) work flow models, non-

economic merit measurement models, etc. As desirable changes to PTO business processes are identified as a result of the analytical techniques and tools provided by the Contractor, the Contractor will assist the PTO in identifying transition plans and strategies to facilitate the orderly implementation of the new business processes.

Work to be performed by the BPR Contractor will be defined by a series of task orders that will specify the activities to be performed, the scope of the work, the schedule on which the work is to be performed, and the deliverables to be produced by the Contractor. Specific task assignments will be issued in writing by the PTO's Contracting Officer.

This contract is also intended to cover the support of any unforeseen requirements that may be identified in relation to the PTO's comprehensive BPR effort during the period of this contract.

C.4 GENERAL REQUIREMENTS

This section lists the categories of services and support that may be required of the BPR Contractor. Each of these categories is included in the scope of this contract.

C.4.1 Types of Services to be Provided

The BPR Contractor shall provide skilled analysts and other support staff, program management services, and facilities necessary to execute negotiated task orders. The BPR Contractor may be required to provide services and support including, but not limited to the following:

- o Executive Seminars and Briefings - high level presentations delivered to senior agency officials describing the approach, methodologies, techniques, tools, findings, recommendations, conclusions and other related results stemming from or associated with the PTO's BPR effort.
- o Technical Seminars, Briefings and Training - presentations delivered to PTO managers and supervisors to familiarize them with BPR principles and techniques which will be used in the BPR's effort. Presentations must be geared to

each audience, depending upon its experience, orientation and future role in the BPR effort.

- o Process and Data Modelling - including the development of "as-is" and "to-be" models depicting PTO processes, activities and data. Modeling will, where possible, be supported by standardized modeling tools and techniques such as IDEF.
- o Economic and Other Cost/Benefit Analyses - including application of ABC and FEA to establish the baseline costs associated with as-is processes and projected costs associated with proposed to-be alternatives.
- o BPR Project Planning, Expert Advice and Analysis - including a review of all materials developed by the PTO related to its BPR effort, and analysis of the proposed strategic and tactical approach, and the formulation of recommendations for optimal methods of continuing and structuring the effort. Ongoing re-assessment of the BPR project and the formulation of recommendations for its modification, continuation and execution.
- o BPR Facilitation Services - conduct BPR analysis sessions involving PTO employees to document as-is and to-be process models and develop economic models; provide facilitators who motivate and guide the participants; scribes who record the deliberations, conclusions and recommendations of the participants; and tool operators familiar with the use of modeling and other software tools utilized during the analysis/documentation process.
- o Automated and Manual BPR Tools and Techniques Training - train PTO personnel in the use of BPR tools and techniques to establish an independent capability of PTO personnel competent to continue BPR analysis after conclusion of the contract.
- o Other BPR-Related Services - associated with the analysis and re-engineering of business processes.

- o Transition and Implementation Planning - assist the PTO in developing detailed plans for the implementation of to-be processes and the transition activities which will be necessary to minimize organizational disruption.

C.4.2 Task Descriptions

In general, work to be performed by the BPR Contractor will fall into broad categories including, but not limited to, those described below.

C.4.2.1 Describe Current ("As-Is") Business Processes

Document the processes and operations of the existing business environment. The documentation focuses on the system from the operational perspective, highlighting the capabilities and constraints from the user's viewpoint. This will include, but is not limited to: reviewing existing documentation; conducting interviews with users and other personnel to ensure the accuracy of the documentation; and the use of software tools to develop IDEF and other models. Costs associated with the as-is process are collected and analyzed. The following tasks may be required:

- o Develop models of the as-is process
- o Identify future workloads and other variables affecting as-is process
- o Develop cost data associated with as-is processes leading to ABC and FEA
- o Describe facilities and services
- o Identify constraints limiting operations
- o Describe organizational structure and management responsibilities
- o Develop staffing profiles, skills matrices, etc.
- o Describe training programs
- o Document uncertainties in the descriptions of the current operations

C.4.2.2 Describe Planned Operations

Document to-be business process alternatives, capitalizing on the information obtained from the as-is process documentation and the application of automated processing techniques, alternative work processes and other potentially desirable modifications to the as-is process. Develop cost estimates for the best alternatives. The following tasks may be required:

- o Develop models of to-be alternative processes, and identify advantages and disadvantages associated with alternatives
- o Develop workload projections for the to-be alternatives
- o Develop FEA of alternatives to support recommendation of to-be processes
- o Describe planned facilities and services
- o List constraints limiting operations
- o Describe planned organizational structure and management responsibilities
- o List planned staffing profile and skills requirements
- o Identify required training programs
- o Document any uncertainties in the descriptions of the planned operations
- o Develop final proposal for presentation to PTO Executive Staff

C.4.2.3 Perform Business Transition Analysis

Analyze and record the changes in the operational environment when the transition from the current operations to the envisioned to-be processes occur. Identify and analyze perceived difficulties in achieving the transition. The following tasks may be required:

- o Analyze functional and procedural changes
- o Analyze facility and service changes
- o Analyze changes to the organizational and management structure
- o Analyze staffing changes
- o Analyze training changes
- o Identify any uncertainty in the transition analysis
- o Analyze the risk associated with the transition

C.4.2.4 Develop Transition Plan

Develop plans for making a transition from the as-is process to the to-be process, minimizing disruptions to PTO operations and services to its clients. The following tasks may be required:

- o Identify optimum sequence for implementation of to-be processes
- o Identify personnel and training requirements and schedules for training, etc., to facilitate the proposed transition
- o Identify steps required to make transition, including roles, activities, schedule and responsibilities
- o Identify management actions and decisions necessary for transition
- o Identify risks associated with the proposed transition plan
- o Develop reporting requirements appropriate to the to-be process which will facilitate the identification of costs of current processes
- o Conduct post-implementation reviews

C.4.2.5 Tools

Commercial automated tools acquired by the Government shall be operated by the Contractor, who shall be expert in the use of these tools to do BPR. An IDEF Glossary will be supplied as a part of the comprehensive tool set. The Contractor shall provide personnel skilled in the use of the software tools which will be applied to the BPR effort.

C.4.2.6 Facilitation

The Contractor shall provide personnel (facilitators) skilled in motivating discussion groups, developing "break through" thinking and other aspects of group interaction and dynamics. These facilitators shall assist the PTO in the documentation and modeling of the as-is and to-be processes. Facilitation may occur at a facility provided by the PTO, or at facilities to be provided by the Contractor, and will involve the use of

specialized software tools ("groupware") designed to enhance creative problem solving and to document and reach decisions.

C.4.2.7 Analytical Support

The Contractor shall provide analytical support personnel to assist the PTO in the analysis and definition of business process requirements; development of costing models such as ABC and FEA, and to assess other elements of the BPR process as needed.

C.4.2.8 Administrative Support

The Contractor shall provide Administrative support -- scribes and others needed to record the deliberations and working sessions. The PTO may require that the record of deliberations and working sessions be delivered by the beginning of the next business day to minimize the "dead time" of the working group(s) and maintain the momentum of the BPR process. The Contractor shall prepare daily, weekly, monthly or longer range plans detailing the activities of working groups as needed.

C.4.2.9 Training

The Contractor shall provide training in BPR methodology and tools. A minimum of two types of training will be required: (1) A one or two day overview of BPR for executives and high level managers; and (2) a more detailed, four or five day course for an undetermined number of working group members to cover the details of BPR including the methodology, tools, techniques and other aspects of the BPR effort. Each course may be given multiple times.

C.4.2.10 Briefings

The Contractor shall provide structured briefings to PTO and Contractor personnel to familiarize them with the results and status of BPR, and to facilitate decision making and tactical planning.

C.4.2.11 Management and Administration

The Contractor shall provide staff qualified to manage, administer and support the BPR effort. This includes, but is not limited to program, project and task managers, secretarial and clerical support, and other administrative support necessary for the overall coordination of the PTO's comprehensive BPR effort, and the execution of this contract.

C.5 SKILLS AND POSITION DESCRIPTIONS

Personnel assigned to perform the services defined in Section C.4 shall be required to possess a diverse set of skills. The following is a set of positions (skill categories) which the Contractor is expected to provide. All personnel performing on this contract shall meet the minimum qualifications for the specified contract category described herein.

Each Contractor employee proposed under this contract shall be required to undergo security processing by the Department's Office of Security and satisfy Noncritical-Nonsensitive security level requirements before being eligible to work on the premises in the Crystal City Campus. Because of the nature of the duties to be performed by the Contractor, some Contractor personnel may also be required to satisfy Non-critical-Sensitive security level requirements. All Contractor personnel shall agree to be finger printed and to submit personal background data.

The PTO recognizes that BPR has a relatively short history as a formalized process. Experience in areas such as operations research, industrial engineering, management analysis, etc., will be considered to be roughly comparable, though individuals are expected to show experience and familiarity with BPR techniques and related software support tools.

C.5.1 Program Manager

U.S. Department of Labor Class: Not Applicable

Duties: The Program Manager shall serve as the Contract Manager, and shall be the Contractor's authorized point of contact with the Government Contracting Officer and the Contracting Officer's Technical Representative. The Program Manager shall collaborate with Government management personnel, contract managers, and customer agency representatives. The Program Manager shall be responsible for formulating and enforcing work standards, assigning schedules, and reviewing work, communicating policies, purposes and goals of the organization to subordinates. The Program Manager shall be available to manage contract performance and shall not serve in any other capacity under this contract.

Qualifications: A minimum of ten (10) years experience in BPR or information resources management is required for this position. Five (5) years must be specialized experience. The remainder may be specialized or general experience, except that a minimum of five (5) years general experience is required.

Specialized Experience: Supervision and management of BPR or system development efforts involving ten or more people. A minimum of two years of the five years shall include managing large, complex BPR, industrial engineering, management analysis or similar process design/redesign projects involving at least twenty employees in a Federal agency. A minimum of three years of the five years shall include managing large, complex, automated system design and development projects involving at least twenty employees working under a Federal contract.

General Experience: Ten years of progressively more difficult BPR and computer systems design and development experience, including at least three (3) years experience working under a Federal Contract. Extensive writing experience is required.

Note: General and Specialized experience may have been gained concurrently.

Formal Education Substitution:

(a) A Graduate degree in Industrial Engineering, Industrial Management, Computer Science or Operations Research will be considered equivalent to one (1) year specialized experience and three (3) years of general experience, non-concurrent with other experience.

(b) A Bachelors degree in Industrial Engineering, Industrial Management, Computer Science or Operations Research will be required. No substitution allowed.

C.5.2 Business Process Re-engineering Task Manager

U.S. Department of Labor Class: Not Applicable

Duties: Point of contact to ensure problem resolution and customer satisfaction for individual delivery orders. The Task Manager shall provide supervisory, technical and administrative direction for personnel performing on a task.

Qualifications: A total of eight years experience is required for this position. Five years must be specialized experience. The remainder may be specialized or general experience.

Specialized Experience: Performance of complex industrial engineering or operational research, or management analysis efforts associated with business process improvement or re-engineering and involving the supervision of at least five employees. A minimum of two years of the five shall include supervising eight or more employees performing BPR analysis involving the use of IDEF0 and IDEF1X modeling and associated software support tools.

General Experience: Eight years of progressive industrial engineering, operations research, management analysis or BPR experience, including at least three (3) years experience working under a Federal contract. Extensive writing experience is required.

Note: General and Specialized experience may have been gained concurrently.

Formal Education Substitution:

(a) A Graduate degree in Industrial Engineering, Industrial Management, Operations Research or related study will be considered equivalent to one year specialized experience and three (3) years general experience, non-concurrent with other experience (above).

(b) A Bachelors degree in Industrial Engineering, Industrial Management, Operations Research or related study will be considered equivalent to three (3) years general experience, non-concurrent with other experience (above).

C.5.3 Business Process Re-engineering Analyst

U.S. Department of Labor Class: Not Applicable

Duties: Provides analysis and analytical services to the BPR Team and other involved personnel; applies techniques associated with BPR, management analysis, industrial engineering, operations research, systems analysis and economic analysis in evaluating as-is process and in assisting in the formulation of to-be process alternatives.

Qualifications: A total of five years experience is required for this position. Three years must be specialized experience. The remainder may be specialized or general experience.

Specialized Experience: Performance of complex industrial engineering or operational research, or management analysis, systems analysis efforts associated with business process improvement or re-engineering.

General Experience: Five years of progressive industrial engineering, operations research, management analysis, systems analysis or BPR experience, including at least two years' experience working under a Federal contract. Extensive writing experience is required.

Note: General and Specialized experience may have been gained concurrently.

Formal Education Substitution:

(a) A Graduate degree in Industrial Engineering, Industrial Management, Operations Research or related study will be considered equivalent to one year specialized experience and three (3) years general experience, non-concurrent with other experience (above).

(b) A Bachelors degree in Industrial Engineering, Industrial Management, Operations Research or related study will be considered equivalent to three (3) years general experience, non-concurrent with other experience (above).

C.5.4 Business Process Improvement Facilitator

U.S. Department of Labor Class: Not Applicable

Duties: Facilitators will guide the BPR effort from a technical and sociological perspective. Technically, the Facilitator will keep the effort moving, plan in detail each day's activity, supply assistance in applying methodology and tools to the effort and be the source of expertise on BPR methodology. The facilitator will help PTO representatives ignore their own parochial viewpoints in favor of an enterprise viewpoint. Facilitators will manage the efforts of Tool Operators and Scribes. Facilitators will conduct Bench marking and will supply best practices examples appropriate to PTO as needed.

Qualifications: Facilitators must have extensive experience doing BPR especially using IDEF0, IDEF1x, ABC, and process simulation. FEA experience is desirable. Previous experience in best practices bench marking is required. Facilitators must have been a facilitator in at least one substantial BPR effort.

C.5.5 BPR Tool Operator

U.S. Department of Labor Class: Not Applicable

Duties: Automated tools will include IDEF, ABC, process simulation, process flow charting, data flow charting, FEA, spreadsheet, word processor and data base systems that will be used on the PTO effort. The Tool Operator will operate the tools, advise on their use in the PTO context and be responsible for assuring the integrity of the material developed using the tools. The Tool Operator will assure that output from tool use is available as needed by the work group.

Qualifications: Tool operators must be expert in the use of the automated tools supplied either by the Contractor or PTO. They must have a good knowledge of BPR methodologies and have applied this knowledge on at least one other BPR effort.

C.5.6 BPR Scribe

U.S. Department of Labor Class: Not Applicable

Duties: Scribes will record all work group efforts. They will see that the work group has proper materials and space to conduct their work. They will supply the results of the previous day's work group efforts by the beginning of the next workday and supply copies of all or any part on demand.

Qualifications: Scribes must have the skills needed to record, transcribe and present in both machine readable and paper form the efforts of the work group. They shall have previous experience in this type of activity. The PTO may require that the results of a day's session be prepared and delivered for the next day's session.

C.5.7 Clerk Typist (CLTP)

U.S. DEPARTMENT OF LABOR CLASS: Typist Class II.

Duties: The CLTP produces final typed products from the initial handwritten information. The CLTP also proofreads the material for spelling, grammar, format, and consistency.

Qualifications: Possesses the proficiency to operate standard office machines such as typewriters, copiers, duplicators, adding machines, and word processing machines. The CLTP shall possess the skills and knowledge to prepare all types of technical material including recommendations, reports, view graphs, tables, charts, and documentation. Must have proficient mastery of the English language.

Experience: One (1) year of experience in data entry and verification using personal computers and either Microsoft Word or Word Perfect. Formal training may be substituted on the basis of one (1) month of training for one (1) month of experience, not to exceed three months.

SECTION D - PACKAGING AND MARKING

THERE ARE NO CLAUSES INCLUDED IN THIS SECTION

SECTION E - INSPECTION AND ACCEPTANCE

E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.246-6	INSPECTION - TIME-AND-MATERIAL AND LABOR-HOUR	JAN 1986

E.2 INSPECTION AND ACCEPTANCE

- (a) Inspection, acceptance, and rejection decisions will be based upon compliance with each task order's scope of work and Section C of this contract.
- (b) Written notification of rejection decisions will be furnished by the Contracting Officer.

SECTION F - DELIVERIES OR PERFORMANCE

F.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.212-13	STOP-WORK ORDER	AUG 1989

F.2 PERIOD OF PERFORMANCE

The period of performance of this contract is as follows:

Lot Number	Period of Performance
-----	-----
LOT I - Base Year	Date of award through 12 months thereafter
LOT II - First Option Year	Month 13 through Month 24
LOT III - Second Option Year	Month 25 through Month 36

F.3 PLACE OF PERFORMANCE

The effort required under this contract shall be performed at the Patent and Trademark Office in Arlington, Virginia; the Contractor's facilities; or other sites designated by the Contractor. Each task order will specify the place of performance.

F.4 DELIVERABLES

Deliverables under this contract include, but are not limited to, "As-is" process documentation, "To-be" process documentation, transition plans, models, records of facilitation deliberations, briefings, and training. Each task order will specify the deliverables to be produced by the Contractor and the delivery date. All documentation deliverables shall be submitted first in draft form. The Government will have fifteen (15) working days to determine the acceptability of all completed draft deliverables and ten (10) working days to determine the acceptability of all completed final deliverables. Deficiencies in draft and final deliverables shall be corrected by the Contractor within ten (10) working days.

F.5 IDENTIFICATION OF CONTRACT DELIVERABLES

Unless otherwise specified, all documents prepared and submitted by the Contractor to the Government under this contract shall include the following information on the cover page of each document:

- (a) Name and business address of the Contractor;
- (b) Contract number and task order number;
- (c) Name, position, and office location of the Contracting Officer's Technical Representative;
- (d) Date of report.

F.6 PLACE OF DELIVERY

The deliverable items to be furnished hereunder shall be delivered to the Contracting Officer's Technical Representative as named in Clause G.3 of this contract.

F.7 PROGRESS REPORTING

The Contractor shall submit written monthly progress reports due the first (1) day of the month following contract award and thereafter on a calendar month basis. The report shall cover work accomplished during that period of the contract performance. The progress report shall be brief and factual and shall be prepared in accordance with the following format.

- (a) A cover page containing:
 - (1) Contract number and title;
 - (2) Type of report, sequence number of report, and period of performance being reported;
 - (3) Contractor's name and address;
 - (4) Author(s); and
 - (5) Date of report
- (b) SECTION I - An introduction covering the purpose and scope of contract effort. This shall be limited to one paragraph in all but the first and final report's narrative.
- (c) SECTION II - A description of overall progress plus a separate description for each task order on which effort was expended during the report period. Description shall include pertinent data and graphs in sufficient detail to explain any significant results achieved.
- (d) SECTION III - A description of current technical or substantive performance and any problem(s) which may impede performance along with proposed corrective action.
- (e) SECTION IV - A planning schedule shall be included with the first progress report for all assigned tasks required under the contract, along with the estimated starting and completion dates for each task. The planning schedule shall be updated and submitted with each subsequent technical progress report. Additionally, an explanation shall be included of any difference between actual progress and planned progress, why the differences have occurred, and, if behind planned progress, what corrective steps are planned.

- (f) SECTION V - Financial information shall be submitted for each task order. Data shall include:
- (1) labor hours and dollar amounts expended for each labor category from the effective date of the contract through the last day of the current reporting month;
 - (2) labor hours and dollar amount expended by category during the current reporting month;
 - (3) estimates of labor hours (by category) to be expended during the next reporting month;
 - (4) identification of direct labor hours of prime Contractor and subcontractor(s), if applicable.
- (g) The Contractor shall furnish three (3) copies of each month's report to the Contracting Officer's Technical Representative.

F.8 MEETINGS

- (a) Meetings between the Contractor and the Government will be held on an "as-required" basis during the performance of the contract. Unless otherwise mutually agreed, the meetings will be held at the Government's location.
- (b) The Contractor shall conduct monthly status review briefings by task order with the Contracting Officer's Technical Representative or his representative. The briefings shall include but are not limited to:
- (1) Work completed during the reporting period
 - (2) Status report on all tasks
 - (3) Work schedule for the next reporting period
 - (4) Identification of any problems or delays and recommendations as to their resolution
- (c) The Contractor shall make available all technical personnel associated with the project work areas which are related to the topics that are to be discussed.

F.9 GOVERNMENT HOLIDAYS

The following legal holidays are observed by this Government agency. Holidays falling on Saturdays are observed on the Friday preceding the holiday, while those holidays falling on Sundays are observed on the Monday following the holiday.

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

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 CONTRACT ADMINISTRATION

Notwithstanding the Contractor's responsibility for total management during the performance of this contract, the administration of the contract will require maximum coordination between the Government and the Contractor. The following individuals will be the Government points of contract during the performance of the contract.

(1) Contracting Officer's Technical Representative

A Contracting Officer's Technical Representative (COTR) will be designated on authority of the Contracting Officer to monitor all technical aspects and assist in administering the contract. The types of actions within the purview of the COTR's authority are to assure that the Contractor performs the technical requirements of the contract; to perform or cause to be performed inspections necessary in connection with performance of the contract; to maintain both written and oral communications with the Contractor concerning the aspects of the contract within his/her purview; to issue written interpretations of technical requirements of Government drawings, designs and specifications; to monitor the Contractor's performance under the contract and notify the Contractor and Contracting Officer of any deficiencies observed; and to coordinate Government-Furnished Property or Data availability and provide for site entry of Contractor personnel if required. A letter of designation will be issued to the COTR with a copy supplied to the Contractor, stating the responsibilities and limitations of the COTR. This letter will clarify to all parties to this contract the responsibilities of the COTR. At no time may the scope of work, price, delivery dates, or other mutually agreed upon terms or provisions of the contract be changed without being executed in writing by the Contracting Officer authorizing such changes.

(2) Contracting Officer

All contract administration will be effected by the Contracting Officer, address as shown on the face page of this contract. Communications pertaining to contract administration matters will be addressed to the Contracting Officer. No changes in or deviation from the scope of work shall be effected without a Supplemental Agreement executed by the Contracting Officer authorizing such changes.

G.2 CONTRACTING OFFICER'S AUTHORITY

The Contracting Officer is the only person authorized to make or approve any changes in any of the requirements of this contract and notwithstanding any provisions contained elsewhere in this contract, the said authority remains solely in the Contracting Officer. In the event the Contractor makes any changes at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority and no adjustment will be made in the contract price to cover any increase in costs incurred as a result thereof.

G.3 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR) --
TECHNICAL DIRECTION

- (a) The Contracting Officer hereby designates the individual named below as the Contracting Officer's Technical Representative.

NAME: Mr. John Serlemitsos
ADDRESS: U.S. Department of Commerce
Patent and Trademark Office
Business Process Re-engineering Team
2011 Jefferson Davis Highway
Crystal Plaza 2, Room 7D07
Arlington, VA 22202

MAILING
ADDRESS: U.S. Department of Commerce
Patent and Trademark Office
Business Process Re-engineering Team
Crystal Plaza 2, Room 7D07
Washington, D.C. 20231

PHONE NO.: (703) 308-6455

The COTR may be changed at any time by the Government without prior notice to the Contractor but notification of the change, including the name and address of the successor COTR, will be promptly provided to the Contractor by the Contracting Officer in writing.

(b) The responsibilities and limitations of the COTR are as follows:

- (1) The Contracting Officer's Technical Representative is responsible for the technical aspects of the project and technical liaison with the Contractor. The COTR is also responsible for the final inspection and acceptance of all reports, and such other responsibilities as may be specified in the contract.
- (2) The COTR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes which affect the contract price, terms or conditions. Any Contractor request for changes shall be referred to the Contracting Officer directly or through the COTR. No such changes shall be made without the expressed prior authorization of the Contracting Officer. The COTR may designate assistant COTR(s) to act for him by naming such assistant in writing and transmitting a copy of such designation through the Contracting Officer to the Contractor.

G.4 TASK ORDER IMPLEMENTATION

- (a) In task order contracts all work shall be initiated only by issuance of a fully executed task order issued by the Contracting Officer. The work to be performed under these task orders must be within the scope of the contract. The Government is only liable for labor hours expended under the terms and conditions of this contract to the extent that a fully executed task order has been issued and covers the required work. Charges for any work not authorized shall be disallowed.
- (b) The COTR shall initiate the task order implementation process by preparing a statement of requirements or objectives to be achieved by completion of the task order in the form of a Task Objective Statement (TOS). The TOS will contain a detailed description of the functional or

other objectives to be achieved, a schedule for completion of the task order, and deliverables to be provided by the task order.

- (c) The Contractor shall acknowledge receipt of each TOS and shall develop and forward to the COTR within ten (10) calendar days a Task Management Plan (TMP). The TMP shall define the scope, specific tasks and actions which are proposed to be taken by the Contractor to complete the task order, and cost estimate. The TMP shall provide the Contractor's interpretation of the scope of work, a description of the technical approach, and a work schedule. The Contractor shall also identify all the responsibilities of the Government which will affect the task order and any dependencies which may exist.
- (d) Based upon the contents of the TMP, the Contractor and the Government shall negotiate the number of hours and labor mix required to complete the task order, any changes in the scope of the work to be performed, the schedule or the deliverables to be provided in the task order.
- (e) Within five (5) working days following the conclusion of the final negotiations related to the TMP, the Contractor shall submit a revised TMP which reflects the negotiated agreement. A task order is then fully executed and issued by the Contracting Officer.
- (f) The Contractor shall acknowledge receipt of each task order by returning to the Contracting Officer a signed copy of the task order within five (5) calendar days after receipt. The Contractor shall begin work on the task order in accordance with the effective date indicated on the task order.
- (g) Following execution of the task order, technical clarifications may be issued in writing at any time by the COTR to amplify, or provide additional guidance to the Contractor regarding performance of the task order. The Contractor shall notify the Contracting Officer of any instructions or guidance the Contractor considers to be a change to the task order which will impact the cost, schedule or deliverable content of the baseline work plan. In cases where technical instructions or other events may dictate a change from the baseline, task orders may be formally amended in writing by the Contracting Officer to reflect modifications to tasking.

The Contractor is responsible for revising the work plan to reflect task order amendments within five (5) working days following negotiation or issuance of a modification of the task order.

- (h) The Contractor shall not exceed the ceiling price established on each task order. When the Contractor has reason to believe that the labor amount for the order, which will accrue in the next thirty (30) days, will bring the total cost to over 85 percent of the ceiling price specified in the order, the Contractor shall notify the Contracting Officer. Such notification shall include an estimate of the additional amount and, if necessary, additional time required for completion of the ordered work.
- (i) Task orders may be placed during the period of performance of the contract, as identified in clause F.2. Labor rates applicable to hours expended in performance of an order will be the contract rates that are in effect at the time the task order is executed. Any order issued during the period of performance of this contract and not completed within that time shall be governed by the contract terms to the same extent as if the order were completed during the contract's period of performance, including the contract and individual order ceiling prices. Work performed on such orders after the end of the contract's period of performance will continue to be charged at the last effective rates.

G.5 INVOICING AND PAYMENT INSTRUCTIONS

- (a) Invoices shall be submitted in an original and 2 copies to the following:

U.S. Patent and Trademark Office
Office of Finance, Box 17
Crystal Park 1, Room 802
Washington, DC 20231

To constitute a proper invoice, the invoice must include the following information and/or attached documentation:

- (1) Name of Contractor, invoice number and invoice date.
- (2) Contract number and task order number.

- (3) Description, price, and quantity of services actually rendered.
- (4) Payment terms.
- (5) Name, title, phone number, and complete mailing address of responsible official to whom payment is to be sent.
- (6) The following statement on the reverse side of the original of each invoice:

COTR'S CERTIFICATION

I certify to the best of my knowledge and belief that the services shown on the invoice have been performed and are accepted.

COTR Signature

Date

- (b) If services are rejected for failure to conform to the contract requirements, the provisions in the Prompt Payment clause (FAR 52.232-25--see Section I) will apply to the new acceptance of replacement services.

G.6 INVOICING/PAYMENT FREQUENCY

The Contractor shall submit invoices on a monthly basis for services performed/orders completed during the previous month.

G.7 ELECTRONIC PAYMENT INFORMATION

- (a) The information required by the clause at FAR 52.232-28, Electronic Funds Transfer Payment Methods (see Section I), shall be forwarded by the Contractor to the below designated office:

U.S. Patent and Trademark Office
Office of Finance, Box 17
Crystal Park 1, Room 802
Washington, DC 20231

- (b) If requested, a form will be provided to the Contractor for this purpose. In the event payment is assigned to a bank, thrift, or other financing institution pursuant to the clause FAR 52.232-23, Assignment of Claims (see Section I), the Contractor shall forward the form to the assignee for completion.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 TYPE OF CONTRACT

This is a labor-hour type contract.

H.2 ORGANIZATIONAL CONFLICT OF INTEREST

- (a) The Contractor warrants that, to the best of the Contractor's knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information.
- (b) The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make a full disclosure in writing to the Contracting Officer. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict.
- (c) Remedies - The Contracting Officer may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, debar the Contractor from Government contracting, or pursue such other remedies as may be permitted by law or this contract.
- (d) The Contractor further agrees to insert provisions which shall conform substantially to the language of this clause, including this paragraph (d), in any subcontract or consultant agreement hereunder.

H.3 ADVERTISING OF AWARD

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the services provided are endorsed or preferred by the Federal Government, or is considered by the Government to be superior to other services. Advertisements, press releases, and publicity of a contract by a supplier shall not be made without the prior express written permission of the Contracting Officer.

H.4 NOTICE TO THE GOVERNMENT OF DELAYS

In the event the Contractor encounters difficulty in meeting performance requirements, or when it anticipates difficulty in complying with the contract delivery schedule or date, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer and the COTR, in writing, giving pertinent details, provided, however, that this data shall be informational only in character and that this provision shall not be construed as a waiver by the Government of any delivery schedule or date or of any rights or remedies provided by law or under this contract.

H.5 OPTION TO EXTEND THE EFFECTIVE PERIOD OF THE CONTRACT--LABOR HOUR CONTRACT

The Government has the option to extend the effective period of this contract for two (2) additional period(s). If more than thirty (30) days remain in the contract effective period, the Government, without prior written notification, may exercise this option by issuing a contract modification. To unilaterally exercise this option within the last thirty (30) days of the effective period, the Government must issue written notification of its intent to exercise the option prior to that last thirty (30) day period. This preliminary notification does not commit the Government to exercise the option.

H.6 KEY PERSONNEL

- (a) The Contractor shall assign to this contract the following key personnel to the identified positions/functions:

<u>Position/Function</u>	<u>Name</u>
Program Manager	Grover C. Randle, Jr.
BPR Task Manager	Robert R. Wells
BPR Analyst	Mala L. Baker
BP Improvement Facilitator	Janet Ostriker

- (b) During the first ninety (90) days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is necessitated by illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within 15 calendar days after the occurrence of any of these events and provide the information required by paragraph (c) below. After the initial 90-day period, the Contractor shall submit the information required by paragraph (c) to the Contracting Officer at least 15 days prior to making any permanent substitutions.
- (c) The Contractor shall provide a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to those of the persons being replaced. The Contracting Officer will notify the Contractor within 15 calendar days after receipt of all required information of the decision on substitutions. The contract will be modified to reflect any approved changes of key personnel.

H.7 SUPERVISION OF CONTRACTOR'S EMPLOYEES

- (a) Personnel assigned to render services under this contract shall at all times be employees of the Contractor or its subcontractor(s) and under the direction and control of the Contractor. Notwithstanding any other provisions of this contract, the Contractor shall at all times be responsible for the supervision of its employees in the performance of the services required hereunder.
- (b) Contractor personnel shall not at any time during the contract period be employees of the U.S. Government.

H.8 WORKING FILES

The Contractor shall maintain accurate working files on all work documentation including calculations, assumptions, interpretations of regulations, sources of information, and other raw data required in the performance of this contract. The Contractor shall provide the information contained in its working files upon request of the Contracting Officer.

H.9 DUPLICATION AND DISCLOSURE OF CONFIDENTIAL DATA

Duplication or disclosure of confidential data provided by the PTO or to which the Contractor will have access as a result of this contract is prohibited. It is understood that throughout performance of the contract the Contractor may have access to confidential data which is the sole property of the PTO, as well as access to proprietary data which is the sole property of other than the contracting parties. The Contractor hereby agrees to maintain the confidentiality of all such data to which access may be gained throughout contract performance whether title thereto vests in the PTO or otherwise. The Contractor hereby agrees not to disclose said data, any interpretations thereof, or data derivative therefrom, to unauthorized parties in contravention of these provisions without prior written approval of the Contracting Officer or the party in which title thereto is wholly vested. This clause also applies to any subcontractors and consultants used by the Contractor.

H.10 SECRETY AND USAGE OF PATENT INFORMATION

- (a) Patent applications are required by law (35 U.S.C. §122) to be kept in confidence. In addition pursuant to secrecy order provisions of 35 U.S.C. §181-188, work under this contract may affect national security. Information contained in any patent application file(s) are restricted to authorized Contractor personnel having a need to know.
- (b) The Contractor acquires no right or privilege to use or disclose any information contained in any patent file (in any form whatsoever) except to perform the work under this contract. Further, the Contractor shall not copyright or make any use or disclose whatsoever of any patent information contained in any application or related copy or data furnished the Contractor by the Government or obtained therefrom except for performing the work procured under this contract.
- (c) Patent documents or copies of information contained therein, patent applications and abandoned files, when furnished to the Contractor by PTO, shall be handled in accordance with the provisions of:
 - (1) 35 U.S.C. §122
 - (2) 18 U.S.C. §207(1)
 - (3) 37 U.S.C. §1.14
 - (4) 35 U.S.C. §181-188
- (d) All personnel employed in data preparation work on this contract, or otherwise having access to patent files or data or information concerning the same shall take the following oath, or affirmation, signed in writing:

"I do swear or affirm that I will preserve application for patents in secrecy, that I will not divulge any information concerning the same to unauthorized persons while employed in work under contract 50-PAPT-3-00043 or any time thereafter, and that I take this obligation freely, and without any mental reservation or purpose of evasion."
- (e) Each employee's signed oath, or affirmation, shall be retained in the Contractor's files, subject to inspection by authorized Government representatives.

- (f) Without advance notice, the Government shall have the right to inspect the Contractor's premises, records, and work in process pertaining to the secrecy of patent information.
- (g) The Contractor shall submit, for approval by the COTR, a plan for maintaining the confidentiality of patent documents and all information contained therein. The plan must adequately protect both documents and film during all phases of staging, filming, handling, processing, storage and quality control. This plan shall be submitted to the COTR thirty (30) calendar days after contract award.
- (h) Duplication of confidential material by the Contractor is forbidden except as specified in this contract.
- (i) The Contractor shall transport all documents, film and other materials used in the performance of this contract between the Contractor's work site and the PTO. This includes pickup of work to be done from PTO offices and delivery of completed work to designated PTO offices.
- (j) The Contractor shall be responsible for returning all Government Furnished Patent Document items to the Government upon termination of the contract in accordance with the Government-Furnished Data clause of this contract.
- (k) The Contractor shall insert the substance of this clause in each subcontract hereunder unless the Contracting Officer has waived this requirement, in writing, as to particular subcontracts or classes of subcontracts.

H.11 GOVERNMENT-FURNISHED DATA

- (a) The Government shall deliver to the Contractor, as may be requested, Government-furnished data during the performance of this contract. Government-furnished data will be delivered to the Contractor as specified in each task order.
- (b) Title to Government-furnished data shall remain in the Government, and the Contractor shall use the Government-furnished data only in connection with this contract.

- (c) Upon completion or termination of this contract, the Contractor shall return to the Government all Government-furnished data.

H.12 ACCESS TO GOVERNMENT FACILITIES

During the life of the contract, the rights of ingress and egress to and from the Government facility for Contractor personnel shall be made available as required. During all operations on Government premises, Contractor personnel shall comply with the rules and regulations governing the conduct of personnel and the operation of the facility. The Government reserves the right to require Contractor personnel to sign in upon ingress and sign out upon egress to and from the Government facility.

H.13 WAGE DETERMINATION APPLICABLE

In the performance of this contract, the Contractor shall comply with the requirements of U.S. Department of Labor Wage Determination Number 86-1259 (Rev. 18) dated April 6, 1993. The wage determination is incorporated into this contract as Attachment A.

H.14 LIMITATION OF FUTURE CONTRACT AWARDS

- (a) It is agreed by the parties to this contract that the Contractor will be restricted in its future dealings with the PTO/Department of Commerce (DOC) to the manner described below. Except as specifically provided in this provision, the Contractor shall be free to compete for PTO/DOC business on an equal basis with other individuals and organizations.
- (b) If the Contractor, under the terms of this contract or through the performance of tasks pursuant to this contract is required to perform as described in (1) or (2) below, the Contractor shall be ineligible to participate in any resultant work as a prime or subcontractor on any pending or on-going requirement:
 - (1) Development of specifications and statements or work when such specifications or statements of work are incorporated into a solicitation or existing contract.

- (2) Provision of technical evaluation of other Contractors' offers or products.

Such restrictions shall remain in effect for three (3) years following the completion date of performance of the described services.

- (c) To the extent that the work under this contract requires access to proprietary, business confidential, or financial data of others, and as long as such data remains proprietary or confidential, the Contractor shall protect such data from unauthorized use and disclosure and agrees not to use it to compete with such individuals or organizations.
- (d) Before assigning such tasks, the Government will consider any requests by the Contractor to be relieved from performance.
- (e) This clause also applies to any subcontractors and consultants used by the Contractor.

H.15 CONTRACTOR EXCLUSIONS

Pursuant to FAR 9.505-2(b)(1), Management and Technology Associates, Inc. (MTA) and subcontractors of any tier and current or former employees for this Advisory and Assistance contract are excluded from competing for, or performing in any capacity, as a prime or subcontractor for the next generation Patent Application Management (PAM) contract.

H.16 OVERTIME

Unless otherwise provided in this contract, the Contractor shall not perform overtime work under or in connection with this contract for which premium compensation is required to be paid, without specific written approval from the Contracting Officer.

H.17 DUPLICATION OF EFFORT

The Contractor hereby certifies that costs for work to be performed under this contract and any subcontract hereunder are not duplicative of any costs charged against any other Government contract, subcontract or other Government source. The Contractor agrees to advise the Contracting Officer, in writing, of any other Government contract or subcontract it has performed or is performing which involves work directly related to the purpose of this contract. The Contractor also certifies and agrees that any and all work performed under this contract shall be directly and exclusively for the use and benefit of the Government, not incidental to any other work, pursuit, research or purpose of the Contractor, whose responsibility it will be to account for it accordingly.

H.18 INSURANCE COVERAGE

Pursuant to the clause FAR 52.228-5, Insurance - Work on a Government Installation (see Section I), the Contractor will be required to present evidence to show, as a minimum, the amounts of insurance coverage indicated below:

- (a) Workers Compensation and Employer's Liability. The Contractor is required to comply with applicable Federal and State workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a Contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers.
- (b) General Liability.
 - (1) The Contractor shall have bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.
 - (2) Property damage liability insurance shall be required in the amount of \$10,000 per occurrence.

- (c) Automobile Liability. The Contractor shall have automobile liability insurance written on the comprehensive form of policy. The policy shall provide for bodily injury and property damage liability covering the operation of all automobiles used in connection with performing the contract. Policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage.
- (d) Aircraft Public and Passenger Liability. When aircraft are used in connection with performing the contract, the Contractor shall have aircraft public and passenger liability insurance. Coverage shall be at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

H.19 GOVERNMENT IDENTIFICATION/SUITABILITY INVESTIGATION REQUIREMENTS FOR CONTRACTOR EMPLOYEES

- (a) The Contractor shall obtain and wear Contractor identification passes. DOC security procedures require that an investigation be conducted on each Contractor employee before providing the passes. The Contractor shall adhere to all provisions of Attachment B.
- (b) All investigative processing request information and requests for employee passes shall be forwarded to the COTR. The COTR will make recommendations and forward the pass requests to PTO's Security Office.
- (c) All background investigation reports will be processed by the PTO Security Office upon receipt. Those employees whose backgrounds do not meet DOC and PTO suitability requirements will not be allowed to work in PTO facilities. The Contractor will be notified of the results of any additional security investigations. PTO reserves the right to deny facility access to those personnel who receive unfavorable security reports. All personnel employed by the Contractor in the performance of this contract, or any representative of the Contractor entering PTO/DOC facilities, shall abide by all security

regulations of PTO/DOC and shall be subject to security checks as may be deemed necessary. The Government reserves the right to direct the Contractor to remove from performance under this contract, any employee for misconduct or security reasons. Such action shall not excuse the Contractor from the responsible performance of all tasks under the contract.

- (d) The Security Manual and additional memos from the DOC Security Officer as well as PTO security procedures shall apply to this contract and the Contractor's employees assigned under this contract. Copies of these documents may be obtained from the COTR.
- (e) This clause also applies to any subcontractors or consultants used by the Contractor.

PART II - CONTRACT CLAUSES**SECTION I - CONTRACT CLAUSES****I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	SEP 1991
52.203-1	OFFICIALS NOT TO BENEFIT	APR 1984
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1985
52.203-7	ANTI-KICKBACK PROCEDURES	OCT 1988
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	SEP 1990
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	NOV 1992
52.215-1	EXAMINATION OF RECORDS BY COMPTROLLER GENERAL	FEB 1993
52.215-2	AUDIT - NEGOTIATION	FEB 1993
52.215-22	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	JAN 1991
52.215-24	SUBCONTRACTOR COST OR PRICING DATA	DEC 1991
52.215-27	TERMINATION OF DEFINED BENEFIT PENSION PLANS	SEP 1989
52.215-30	FACILITIES CAPITAL COST OF MONEY	SEP 1987
52.215-33	ORDER OF PRECEDENCE	JAN 1986
52.215-39	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (PRB)	JUL 1991

NUMBER	TITLE	DATE
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL	FEB 1990
52.219-13	DISADVANTAGED BUSINESS CONCERNS UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES	AUG 1986
52.219-14	LIMITATIONS ON SUBCONTRACTING	JAN 1991
52.220-3	UTILIZATION OF LABOR SURPLUS AREA CONCERNS	APR 1984
52.220-4	LABOR SURPLUS AREA SUBCONTRACTING PROGRAM	APR 1984
52.222-3	CONVICT LABOR	APR 1984
52.222-26	EQUAL OPPORTUNITY	APR 1984
52.222-28	EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS	APR 1984
52.222-35	AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS	APR 1984
52.222-36	AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS	APR 1984
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	JAN 1988
52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED	MAY 1989
52.222-43	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT--PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)	MAY 1989
52.223-2	CLEAN AIR AND WATER	APR 1984
52.223-6	DRUG-FREE WORKPLACE	JUL 1990
52.225-11	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	MAY 1992
52.227-1	AUTHORIZATION AND CONSENT	APR 1984
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	APR 1984
52.228-5	INSURANCE--WORK ON A GOVERNMENT INSTALLATION	SEP 1989
52.229-4	FEDERAL, STATE, AND LOCAL TAXES (NONCOMPETITIVE CONTRACT).	JAN 1991
52.229-5	TAXES--CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO	APR 1984
52.232-7	PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS	APR 1984
52.232-17	Alternate II (JAN 1986) INTEREST	JAN 1991

NUMBER	TITLE	DATE
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	SEP 1992
52.232-28	ELECTRONIC FUNDS TRANSFER PAYMENT METHODS	APR 1989
52.233-1	DISPUTES Alternate I (DEC 1991)	DEC 1991
52.233-3	PROTEST AFTER AWARD	AUG 1989
52.242-13	BANKRUPTCY	APR 1991
52.243-3	CHANGES - TIME-AND-MATERIALS OR LABOR-HOURS	AUG 1987
52.244-2	SUBCONTRACTS (COST-REIMBURSEMENT AND LETTER CONTRACTS)	JUL 1985
52.246-25	LIMITATION OF LIABILITY - SERVICES	APR 1984
52.248-1	VALUE ENGINEERING	MAR 1989
52.249-6	TERMINATION (COST-REIMBURSEMENT) Alternate IV (APR 1984)	MAY 1986
52.249-14	EXCUSABLE DELAYS	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

I.2 52.203-9 REQUIREMENT FOR CERTIFICATE OF PROCUREMENT
INTEGRITY--MODIFICATION (NOV 1990)

- (a) Definitions. The definitions set forth in FAR 3.104-4 are hereby incorporated in this clause.
- (b) The Contractor agrees that it will execute the certification set forth in paragraph (c) of this clause when requested by the Contracting Officer in connection with the execution of any modification of this contract.
- (c) Certification. As required in paragraph (b) of this clause, the officer or employee responsible for the modification proposal shall execute the following certification:

CERTIFICATE OF PROCUREMENT INTEGRITY - MODIFICATION (NOV 1990)

- (1) I, [Name of certifier], am the officer or employee responsible for the preparation of this modification proposal and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d), or (f) of

the Office of Federal Procurement Policy Act, as amended * (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement (contract and modification number).

- (2) As required by subsection 27(e)(1)(B) of the Act, I further certify that to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of [Name of Offeror] who has participated personally and substantially in the preparation or submission of this proposal has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.
- (3) Violations or possible violations: [Continue on plain bond paper if necessary and label Certificate of Procurement Integrity - Modification (Continuation Sheet), enter NONE if none exists]

[Signature of the officer or employee responsible for the modification proposal and date]

[Typed name of the officer or employee responsible for the modification proposal]

*Subsections 27(a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

[End of certification]

- (d) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing Contractor responsible for the offer or bid, may rely upon a one-time certification from each individual required to submit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the Contractor. If a Contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for a period of 6 years from the date a certifying employee's employment with the company ends or, for an agency, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the Contractor.
- (e) The certification required by paragraph (c) of this clause is a material representation of fact upon which reliance will be placed in executing this modification.

I.3 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (DEVIATION NOV 1990) (JAN 1990)

(a) Definitions.

"Agency," as used in this clause, means executive agency as defined in 2.101.

"Covered Federal action," as used in this clause, means any of the following Federal actions:

- (a) The awarding of any Federal contract.
- (b) The making of any Federal grant.

- (c) The making of any Federal loan.
- (d) The entering into of any cooperative agreement.
- (e) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

"Indian tribe" and tribal organization," as used in this clause, have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) and include Alaskan Natives.

"Influencing or attempting to influence," as used in this clause, means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, or an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government," as used in this clause, means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency," as used in this clause, includes the following individuals who are employed by an agency:

- (a) An individual who is appointed to a position in the Government under title 5, United States Code, including a position under a temporary appointment.
- (b) A member of the uniformed services, as defined in subsection 101(3), title 37, United States Code.
- (c) A special Government employee, as defined in section 202, title 18, United States Code.
- (d) An individual who is a member of a Federal advisory committee, as defined by the Federal

Advisory Committee Act, title 5, United States Code, appendix 2.

"Person," as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation," as used in this clause, means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment," as used in this clause, means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient," as used in this clause, includes the Contractor and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed," as used in this clause, means, with respect to an officer or employee of a person requesting or receiving a Federal contract, and officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State," as used in this clause, means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and

multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibitions.

- (1) Section 1352 of title 31, United States Code, among other things, prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) The Act also requires Contractors to furnish a disclosure if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement.
- (3) The prohibitions of the Act do not apply under the following conditions:
 - (i) Agency and legislative liaison by own employees.
 - (A) The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

- (B) For purposes of subdivision (b)(3)(i)(A) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (C) The following agency and legislative liaison activities are permitted at any time where they are not related to a specific solicitation for any covered Federal action:
 - (1) Discussing with an agency the qualities and characteristics (including individual demonstrations) of the person's products or services, conditions or terms of sale, and service capabilities.
 - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (D) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action--
 - (1) Providing any information not specifically requested but necessary for an agency to make an informal decision about initiation of a covered Federal action;
 - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
 - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507, and subsequent amendments.

- (E) Only those services expressly authorized by subdivision (b)(3)(i)(A) of this clause are permitted under this clause.

(ii) Professional and technical services.

- (A) The prohibition on the use of appropriated funds in subparagraph (b)(1) of this clause, does not apply in the case of--

- (1) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
- (2) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

- (B) For the purposes of subdivision (b)(3)(ii)(A) of this clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. The following examples are not intended to be all inclusive, to limit the application of the professional or technical exemption provided in the laws, or to limit the exemption to licensed professionals. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

- (C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.
 - (D) Only those services expressly authorized by subdivisions (b)(3)(ii)(A)(1) and (2) of this clause are permitted under this clause.
 - (E) The reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.
- (iii) Selling activities by independent sales representatives.

The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

- (A) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sales, and service capabilities; and
- (B) Technical discussions and other activities regarding the application or adaption of the person's products or services for an agency's use.

(c) Disclosure.

- (1) The Contractor who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, OMB standard form LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using

nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph (b)(1) of this clause, if paid for with appropriated funds.

- (2) The Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph (c)(1) of this clause. An event that materially affects the accuracy of the information reported includes--
 - (i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
 - (ii) A change in the officer(s) or individual(s) influencing or attempting to influence a covered Federal action; or
 - (iii) A change in the officer(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
 - (3) The Contractor shall require the submittal of a certification, and if required, a disclosure form by any person who requests or receives any subcontract exceeding \$100,000 under the Federal contract.
 - (4) All subcontractor disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall submit all disclosures to the Contracting Officer at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.
- (d) Agreement. The Contractor agrees not to make any payment prohibited by this clause.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (a) of this clause or who fails to file or amend the disclosure form to be filed or amended by paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(2) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause makes allowable or reasonable any costs which would otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provision.

I.4 52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

- (a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding \$500,000.00.
- (b) The maximum amount for which the Government shall be liable if this contract is terminated is \$500,000.00.

I.5 52.216-25 CONTRACT DEFINITIZATION (APR 1984)

- (a) A labor-hour definitive contract is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the letter contract, (2) all clauses required by law on the date of execution of the definitive contract, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit a labor hour proposal and cost or pricing data supporting its proposal.

- (b) The schedule for definitizing this contract is:

Target Dates

Commencement of Negotiations..... November 1, 1993

Contract Definitization..... December 1, 1993

- (c) If agreement on a definitive contract to supersede this letter contract is not reached by the target date in paragraph (b) above, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.8 and Part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

- (1) After the Contracting Officer's determination of price or fee, the contract shall be governed by--

(i) All clauses required by the FAR on the date of execution of this letter contract for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

- (2) To the extent consistent with subparagraph (c)(1) above, all clauses, terms, and conditions in this letter contract shall continue in effect, except those that by their nature apply only to a letter contract.

I.6 52.219-17 SECTION 8(A) AWARD (FEB 1990)

- (a) By execution of a contract, the Small Business Administration (SBA) agrees to the following:
- (1) To furnish the supplies or services set forth in the contract according to the specifications and the terms and conditions by subcontracting with the Offeror who has been determined an eligible concern pursuant to the provisions of section 8(a) of the Small Business Act, as amended (15 U.S.C. 637(a)).
 - (2) Except for novation agreements and advance payments, delegates to the U.S. Patent and Trademark Office the responsibility for administering the contract with complete authority to take any action on behalf of the Government under the terms and conditions of the contract; provided, however that the contracting agency shall give advance notice to the SBA before it issues a final notice terminating the right of the subcontractor to proceed with further performance, either in whole or in part, under the contract.
 - (3) That payments to be made under the contract will be made directly to the subcontractor by the contracting activity.
 - (4) To notify the U.S. Patent and Trademark Office Contracting Officer immediately upon notification by the subcontractor that the owner or owners upon whom 8(a) eligibility was based plan to relinquish ownership or control of the concern.
- (b) The offeror/subcontractor agrees and acknowledges that it will, for and on behalf of the SBA, fulfill and perform all of the requirements of the contract.

I.7 52.220-1 PREFERENCE FOR LABOR SURPLUS AREA CONCERNS (APR 1984)

- (a) This acquisition is not a set aside for labor surplus area (LSA) concerns. However, the offeror's status as such a concern may affect (1) entitlement to award in case of tie offers or (2) offer evaluation in accordance with the Buy American Act clause of this solicitation. In order to determine whether the offeror is entitled to

a preference under (1) or (2) above, the offeror must identify, below, the LSA in which the costs to be incurred on account of manufacturing or production (by the offeror or the first-tier subcontractors) amount to more than 50 percent of the contract price.

None

- (b) Failure to identify the locations as specified above will preclude consideration of the offeror as an LSA concern. If the offeror is awarded a contract as an LSA concern and would not have otherwise qualified for award, the offeror shall perform the contract or cause the contract to be performed in accordance with the obligations of an LSA concern.

I.8 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION.

Employee class

Monetary Wage-Fringe Benefits

Clerk Typist II

\$8.93

I.9 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

- (b) The use in this solicitation or contract of any Commerce Acquisition Regulation (48 CFR Chapter 13) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

<u>Identifier</u>	<u>Title/Description</u>	<u>Pages</u>
A	U.S. Department of Labor Wage Determination Number 86-1259 (Rev. 18) dated April 6, 1993	6
B	Security Processing for Non- Employees	8