Integrated Financial Management System (IFMS) and Human Resource Information System (HRIS) Statement of Objectives (SOO)

August 17, 2010

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1. IFMS AND HRIS BACKGROUND

The Millennium Challenge Corporation (MCC or Corporation) requires a service provider to support its financial, procurement and human resources management operations. The vendor will maintain a fully integrated financial management, procurement and human resource management system and provide daily operational support for financial management, procurement and human resource management activities. MCC's Division of Finance, Contracts and Grants Management Division, the Administrative Services and Human Resources Division and IT management will oversee the overall quality of the services provided but will not supply personnel for system support and will provide personnel for defined operational support.

The purpose of this Request for Proposal (RFP) is to address MCC's challenge to:

1. Improve the overall quality of financial management support for its operations;

2. Integrate a robust human resource management system into its operations;

3. Manage MCC costs effectively by incorporating cost accounting into its financial management system;

4. Automate the procurement process from initial purchase request through contract closeout, and integrate the procurement system with the core financial system;

5. Create an efficient budget formulation, budget execution and funds control process, through an integrated budget tool;

6. Become compliant with *Office of Management and Budget (OMB) Circular No. A-127 Revised, Financial Management Systems* by ensuring full interoperability of the applications supporting its business operations; and,

7. Ensure that MCC has the reports it needs to enable better business management.

 MCC is seeking a Federal service provider to deliver an Integrated Financial (and Contracts) Management System (IFMS) and Human Resource Information System (HRIS) that will meet these challenges. At a minimum, the MCC IFMS and HRIS shall include the following modules, tools and applications, which are described in more detail in Section 8.1 of this SOO, in corresponding order, as well as in the Technical Requirements, listed in Section J:

▸ Core financial system:

- ▶ General Ledger management,
- ▶ Budgetary resource management,
- ▶ Payment management,
- ▶ Receivable management,
- ▶ Cost management, and
- ▶ Fund Balance with Treasury (FBWT) management.
- ▶ Asset Management
- ▶ Payroll processing systems:
  - ▶ Payroll processing,
  - ▶ Labor reporting, and
  - ▶ Time and Attendance importing;
- ▶ Automated procurement system:
  - ▶ Requirement definition, review, and approvals,
  - ▶ Funds certification,
  - ▶ Acquisition planning,
  - ▶ Synopsis and solicitation,
  - ▶ Source selection,
  - ▶ Award, and
  - ▶ Contract administration; and
- ▶ Automated Human Resources system:
  - ▶ Staff Acquisition
  - ▶ Performance Management
  - ▶ Human Resource Development
  - ▶ Workforce Tracking and Entry on Duty
  - ▶ Time and Attendance; and
- ▶ Reporting.

The Offeror shall demonstrate that the IFMS and HRIS solution and modules, tools and applications, above, also meet the MCC-specific functional requirements listed in this SOO, Section 8.1.2.

2. IFMS AND HRIS ACQUISITION STRATEGY

MCC has determined that the service provider shall supply the following services, which are further described in Section 7 of this SOO:

- Project management and implementation of IFMS/HRIS:
  - Implementation and integration services, and
  - Data migration;
- IFMS/HRIS support and operations:
  - Infrastructure and application hosting services,
  - IFMS/HRIS maintenance and database administration,
  - Software licenses, and
  - Helpdesk operations;
- Accounting operations, financial management, and transaction processing:
  - Personnel management,
  - Support for automated budget planning and formulation tools,
  - Core financial accounting, and
  - Procurement and acquisition data processing;
- Integration with or Provision of eTravel Application
- Integration with or Provision of Personnel and Payroll Management System
- Upgrades and Changes to IFMS/HRIS outside of Normal Operations; and
- Accounting Operations Support for Financial Management Modules or Upgrades outside of Normal Operations.

The selected provider must be capable of delivering a federally compliant solution at a competitive cost. The service provider's product approach shall meet all functional and technical requirements, described in Section 8 of this SOO, as well as those found in the solicitation Attachment J.2.1 and J.2.2, Technical Requirements.

To effectively meet the functional and technical requirements that are properly scaled for MCC operations, the Service provider shall offer a Commercial off the Shelf (COTS), Web-based system. In addition, the provider must support MCC's target Enterprise Architecture, especially its MCC Integrated Data and Analysis System (MIDAS) system (or a future reporting system), that's a business intelligence and data warehouse system that requires daily access to source information maintained in IFMS/HRIS.

The IFMS/HRIS acquisition will include the procurement of all necessary materials and services to implement, operate, manage, and maintain the desired federally compliant financial (and Grants) management and human resources management system environment for the life of the investment. Data migration from the current service provider to the new financial management and human resource management system environment as well as training of MCC personnel on the new financial and human resource management systems environment is a part of this acquisition.

Instructions for Offerors submitting proposals are provided in Section L of this solicitation and the evaluation factors for each group of services is provided in Section M.

In accordance with the guidance provided by the OMB for the Financial Management Line of Business (FMLoB), and OMB and OPM for the Human Resources Line of Business (HRLoB)MCC will utilize Federal Shared Service Centers (SSCs), or other qualified providers for financial and human resource management system hosting services, and transaction processing, where necessary.

3. PROJECT GOALS AND OBJECTIVES

The four primary objectives of the IFMS/HRIS are to improve financial, procurement and human resource management performance by providing MCC with:

1. An integrated core financial management system that is compliant with Federal accounting and system standards, provides cost accounting functionality, and supports MCC with the data and reporting flexibility needed to make sound management decisions.

2. An accounting operations service provider that supplies qualified professionals to manage all financial activities not specifically required to be performed by Federal officials.

3. An automated acquisition management and processing functionality.

4. An automated human resources application and processing functionality that is compliant with Federal system standards and supports human resource transactions that adhere to merit system principles and other relevant regulatory and statutory guidelines.

5. Improved efficiency of MCC budget planning, formulation and execution by automating certain manual budget processes.

MCC has also established supporting objectives, which it seeks to achieve through successful implementation of the IFMS/HRIS investment. These supporting objectives include:

▸ Providing customizable, on-demand reports for financial, acquisition, human resources, and program managers.

▸ Promoting MCC's credibility and trust with Congress, the Executive Office of the President, and the public by demonstrating full compliance with financial laws, regulations, and Federal financial standards, including maintaining an unqualified audit opinion.

- Supporting MCC's compliance with relevant human resource laws, regulations, and principles, including those under MCC's Delegated Examining Authority.

- Supporting MCC's enterprise MIDAS system, or a future reporting system, by providing administrative access to data.

- Enhancing and maintaining strong internal controls over all aspects of financial management operations by establishing mechanisms to ensure the consistency and reliability of financial data.

- Allowing MCC to track international development aid in a more cost-effective and efficient manner, thereby supporting MCC in the achievement of its primary strategic goals.

- Supporting MCC's compliance with relevant contracts and grants laws, regulations and principles.

4. REFERENCED INFORMATION

The following sources of information were used to develop this document:

- *OMB Circular No. A-127 Revised, Financial Management Systems*, December 1, 2004

- *Office of Federal Financial Management Core Financial System Requirements*, January 2006

- *Final Current Systems Description: MCC Financial Systems Assessment*, July 13, 2007

- *Options and Recommendations: MCC Financial Systems Assessment*, December 10, 2007

- *Office of Personnel Management Human Resources Line of Business Target Requirements for Shared Service Centers, Version 3, September 2007*

5. ASSUMPTIONS, CONSTRAINTS, AND PROPOSAL SUBMISSIONS

5.1 ASSUMPTIONS

The following assumptions provide the basis for the minimum acceptable systems and services that are to be proposed to MCC.

5.1.1 Business Assumptions

- The business requirements of MCC will not change significantly before completion of the IFMS/HRIS implementation; however, transaction processing volume under the IFMS/HRIS is likely to increase substantially as additional compacts (5-year grant contracts to foreign country recipients) are signed and entered into force.

- MCC will be able to successfully migrate to IFMS/HRIS without adversely impacting day-to-day business operations.

- MCC will maintain a clean audit opinion throughout implementation, hosting, and accounting operations support.

▸ The Offeror shall submit a Business Plan for Continued Federal Compliance that will assure IFMS compliance with changes to all applicable Federal financial management system requirements, such as the Common Governmentwide Accounting Classification (CGAC) standards, upcoming OFFM Acquisition System Requirements, Agency Financial Report (AFR) guidelines, and FBWT reporting guidelines.

▸ MCC will maintain ownership of all data and products (e.g., position descriptions, vacancy announcements, financial, procurement, including grants information) stored in the IFMS/HRIS.

5.1.2 Program Assumptions

▸ MCC will establish a Program Management Office (PMO) to oversee the IFMS/HRIS investment. The PMO will report to the Executive Steering Committee, with respect to the IFMS/HRIS. The Executive Steering Committee consists of senior management from across the MCC.

▸ The PMO will be responsible for developing and executing a Change Management Plan for the migration to the IFMS/HRIS.

▸ MCC has adequately skilled staff and/or can contract out for needed resources, to support the IFMS/HRIS investment.

▸ MCC will be responsible for developing a Strategic Communication Plan to facilitate communications to stakeholders of the IFMS/HRIS project.

▸ In coordination with the PMO, the Service provider shall complete comprehensive Project Management, Quality Management, and Risk Management and Mitigation plans.

▸ MCC, or a contracted third party, reserves the right to make on-site visits to review the accounting operations and/or system support centers.

5.1.3 Technical Assumptions

▸ The service provider must be compliant with Federal and MCC security standards.

▸ The target technology environment shall comply with industry standards including configuration, updates, and refreshment.

▸ The IFMS/HRIS shall be compliant with all applicable Federal requirements, regulations and guidance as well as any subsequent revisions to these or replacement regulations. This includes but is not limited to: OMB Office of Federal Financial Management (OFFM) mandatory core systems requirements and minimal business requirements, and all other best practices for Federal core financial, procurement, grants and human resources management systems; OMB Circular A-123; and OMB Circular A-130.

▸ The selected hardware and software shall be modular, flexible, adaptable, and extensible in accordance with the standards set forth in the Federal Enterprise Architecture Framework (FEAF) and the MCC Enterprise Architecture Framework.

▸ All hardware and software will be appropriately configured and certified at the start of implementation. Deployment will be identified as a critical path item of the implementation plan.

5.1.4   Operational Assumptions

▸ Full IFMS/HRIS operations will be achieved by the beginning of FY 2012.

▸ The service provider shall make qualified staff available to fill proposed key technical and managerial positions.

▸ MCC expects that the service provider will host the system and will provide the facilities necessary for its support and accounting operations personnel. MCC does not require that these facilities be in close proximity to its headquarters. MCC will not locate service provider personnel (neither system support nor accounting operations) in its facilities, but expects that key personnel will be available to communicate on a regular basis during normal business hours and to travel to MCC's headquarters on a periodic basis.

▸ There will be minimal customizations to the new core financial and human resource management system COTS product. MCC does not want or expect a custom configuration— it does expect its requirements to be met via core functionality of the solution offering, or via Forms, Reports, Interfaces, Conversions, and Extensions (FRICE) objects. Modifications to existing business processes and or feeder systems to match those supported by the COTS product will be a result of Business Process Reengineering (BPR) efforts, which are to be estimated as part of the lifecycle costs of the IFMS/HRIS.

▸ Migration will be accomplished automatically without causing any materially misstated account balances. There shall be no more than a 3% difference between the true account balance and that presented in the financial statements after migration. All errors will be corrected within 90 days after going live.

▸ Independent Verification and Validation (IV&V) shall be supported by independent service provider staff, as chosen by MCC.

▸ Role-based training conducted by the service provider will focus on the new processes resulting from BPR efforts as well as the new software. In addition, the training will occur as close to the "go live" date as possible to maximize user benefits. Post-implementation training shall be available on request through the life of the contract.

▸ The service provider will manage accounting operations once the system is fully functional and upon completion of data migration and validation.

▶ IFMS/HRIS end-user functions will be accessible remotely (via the internet where practical and via the Agency's network/VPN when additional security is required)

5.2 CONSTRAINTS

The following constraints are included to provide the minimum acceptable systems and services that are to be proposed to MCC.

5.2.1 MCC Policies and Standards

The Service provider for the IFMS/HRIS shall comply, at a minimum, with the following MCC-specific policies and standards:

▶ *The Millennium Challenge Act of 2003*;

▶ *MCC Financial Management Policies and Procedures Manual, Vols. I and II*; and

▶ MCC IFMS/HRIS Concept of Operations and its technical architecture.

▶ MCC Contracts Operating Manual (COM)

▶ MCC Enterprise Architecture (EA)

5.2.2 Federally Mandated Business and Technical Constraints

The Service provider shall ensure that the IFMS/HRIS and managed accounting operations adhere to all applicable Congressional mandates and public laws. Below are applicable Federal mandates and public laws. The Service provider shall also ensure compliance with applicable mandates, requirements or standards if not listed below.

▶ Approach consistent with OMB's FMLoB Shared Services Provider (SSP) requirements;

▶ *Cash Management Improvement Act of 1990* (CMIA) (Pub. L. No. 101-453), extended by the Cash Management Improvement Act Amendments of 1992 (Pub. L. No. 102-589);

▶ *Chief Financial Officers Act of 1990* (Pub. L. No. 101-576);

▶ *Clinger-Cohen Act of 1996* (Information Technology Management Reform Act, Division E of Pub. L. No. 104-106);

▶ *Computer Security Act of 1987* (Pub. L. No. 100-235);

▶ *Debt Collection Improvement Act of 1996* (Pub. L. No. 104-134);

▶ Federal Accounting Standards Advisory Board Standards (FASAB);

▶ *Federal Information Security Management Act of 2002*;

▶ *Federal Financial Management Improvement Act of 1996* (Pub. L. No. 104-208);

▶ *Federal Managers' Financial Integrity Act of 1982* (Pub. L. No. 97-255);

▸ *Federal Records Act of 1950, as* amended (Records Management by Federal Agencies, 44 U.S.C. § 3101 et seq.);

▸ OMB OFFM certification for selected software;

▸ *Freedom of Information Act and Amendments of* 1974 (Pub. L. No. 93-502) (5 U.S.C. § 552);

▸ Federal Information Processing Standards (FIPS) for Electronic Data Interchange, (ANSI X12/XML);

▸ Federal Enterprise Architecture Framework (FEAF);

▸ Generally Accepted Accounting Principles (GAAP);

▸ *Government Information Security Reform Act (Title X, Subtitle G of the Defense Authorization Act)*;

▸ *Government Management Reform Act of 1994 (Pub. L. No. 103-356)*;

▸ *Government Paperwork Elimination Act of 1998 (Pub. L. No. 105-277)*;

▸ *Government Performance and Results Act*;

▸ National Institute of Standards and Technology (NIST) Special Publications (800 series) FIPS 199;

▸ Federal Acquisition Regulations;

▸ OMB Circulars A-11, A-123, A-127, A-130, A-134, and OMB Memo 05-02; and

▸ Prompt Payment Act of 1982 and Amendments of 1996 (Pub. L. No. 97-177).

5.3 PROPOSAL SUBMISSIONS

As part of the Technical Response, Management Approach, Pricing, and Past Performance Response, the Offeror shall provide the following submissions.

Exhibit 1. Proposal Submissions

Deliverable	Current Description
Performance Work Statement (PWS)	

Deliverable	Current Description
Quality Assurance Surveillance Plan (QASP) and Incentive/Disincentive Plan	The Offeror shall provide a QASP that at a minimum supports a quantifiable approach for measuring the success of the IFMS/HRIS program in meeting MCC's goals, objectives and performance requirements. To support the MCC's performance requirements, this approach shall incorporate the requirements of the FEAF Performance Reference Model (PRM) and any other OMB FMLoB performance requirements. The Offeror shall also provide an Incentive/Disincentive plan that coinsides with the QASP requirements. The Incentive/Disincentive Plan shall provide real, measurable incentives and disincentives for exceeding and/or failing to meet proposed performance goals.
Implementation Timeline and Project Management Plan	Phased approach to implementation program with System Development Life Cycle (SDLC). The Implementation Timeline and Project Management plan shall comply with Project Management Body of Knowledge (PMBoK) standards
Transition Plan (Phase In/Phase Out)	
Quality Control Plan (QCP)	The Offeror shall submit a Quality Control Plan (QCP) that integrates the Service providers Quality Assurance and Quality Reporting processes, and provides for a surveillance mechanism for each metric and a collaborative reporting approach for regular performance reporting. The proposed approach shall provide MCC with complete visibility to the metrics and performance.
Risk Management and Mitigation Plan	
IT Security Plan	
Service Level Agreements (SLAs)	
Past Performance – includes Completed Service provider Past Performance Information forms	Past performance information to be included will coincide with the requirements discussed in Section L.6 of this proposal.
Screen Captures of OCD Scenario Demonstration Scripts	
Data Migration and Conversion Plan	The plan shall have an enterprise schedule for completion of the overall implementation. The system deployment plan shall stipulate the methods for gathering user information that will allow MCC business processes to be correctly configured in the system, including but not limited to their document access and transaction rights. It is anticipated that the Service provider shall complete the system deployment plan before deployment work can be started. Plans shall also stipulate a go-live date that is tied to training delivery and data migration and validation. The Data Migration and Conversion Plan shall also address system and configuration testing support; and installation of the application, application patches, and service packs.

Deliverable	Current Description
Disaster Recovery Plan	The Offeror is responsible for submitting a Disaster Recovery Plan that meets hosting site issues, mirrored site requirements, recovery time requirements, functionality requiremnts, and sheduled disastery recovery drills.
Continuity of Operations Plan (COOP)	The Offeror is responsible for submitting a comprehensive Continuity of Operations Plan (COOP) for the IFMS/HRIS that facilitates the performance of the IFMS/HRIS essential activities and functions during the full range of human-caused, natural, technological, and national security emergencies.
Business Plan for Continued Federal Compliance	The Business Plan for Continued Federal Compliance shall demonstrate the Offeror's strategy for maintaining compliance with all applicable Federal financial management regulations and requirements. It will also demonstrate that all software products provided will be supported for a minimum period of five (5) years after full MCC deployment.
Price Proposal	The price proposal information will coincide with the requirements discussed in Section L.7 of this proposal.
Operations and Maintenance Plan - Governance Plan - Change Control Plan	

6. CONCEPT OF OPERATIONS

This section provides an overview of the systems that will be replaced by IFMS/HRIS and the remaining systems with which IFMS/HRIS will be required to interface.

6.1 FUTURE OPERATING ENVIRONMENT OVERVIEW

The future operating environment for the MCC financial management system and accounting operations support will include a fully federally compliant, integrated COTS financial management system and accounting operations support provided by qualified personnel.

6.1.1 IFMS/HRIS Overview

If a Service provider other than the current provider is awarded this a system migration will be required. Regardless, the Service provider will provide an OFFM-compliant, COTS financial management system. If a migration from the current system is required, then at a minimum, MCC anticipates its current core financial management system, Oracle's Federal Financials (OFF), as presently supported by its current service provider, shall be replaced.

The Service provider will conduct additional analysis of all other systems that interface with the IFMS/HRIS, including the systems that are supplied by the current provider, as well as systems that are contracted separately with other providers. The analysis will identify candidates for replacement by the new COTS product and improve integration with internal and external legacy systems. Analysis shall also focus on the integration of the IFMS/HRIS and MIDAS, or a future reporting system, as the entry and availability of daily core financial transactional data is a major component of MIDAS, or the future reporting system data.

The enterprise-wide implementation of the new financial system shall include expanded functional capability, full integration of critical system components, BPR where appropriate, and continued high-quality production and customer support. The new system shall also address a growing need for better integration of program, financial, and budgetary information to support more efficient and effective management of the MCC mission and programs against established performance goals and objectives.

6.1.2 Accounting Operations

Accounting operations management and support will be provided, offsite, by the Service provider. MCC expects qualified professionals to manage all financial activities not specifically required to be performed by Federal officials. Though direct oversight and management of accounting operations will be performed by the Service provider, MCC personnel will review the overall quality of the services provided. The service-quality standards will be enforced through a contract, which will have measurable and enforceable performance standards. The provider will report on these standards, determined at a minimum in Appendix A, preferably on a real-time basis through the system's Graphical User Interface (GUI).

6.2 MCC LEGACY SYSTEM TO BE REPLACED

The following legacy systems have been identified as those systems that will be replaced by the IFMS/HRIS. The next four tables are based on the best available information and may not be complete due to systems' updates, or changes in providers.

Exhibit 2. Legacy Systems to be Replaced

Application/System Name To Be Replaced	Current Description
Oracle General Ledger	The General Ledger module forms the central part of the Oracle Federal Financials services. A major component, the Chart of Accounts, represents MCC's accounting structure, and is fully integrated with the rest of the core accounting modules. Additional functionality includes the set-up and maintenance of cost codes, journals, and period end processes and reconciliation.

Application/System Name To Be Replaced	Current Description
Oracle Payables	Oracle Payables provides the ability to manage and pay suppliers.
Oracle Receivables	Oracle Receivables provides invoicing, receipt, and customer deduction processing.
Oracle iProcurement (Maintain rights for use, but not currently utilized)	Oracle iProcurement is a self-service requisitioning application that controls employee spending. Oracle iProcurement provides a Web-based shopping system that allows employees to create, manage, and track orders.
Oracle Purchasing (Maintain rights for use, but not currently utilized)	Oracle Purchasing is the application designed for purchase order processing while strengthening policy compliance. To create sustainable savings, such a system must efficiently handle all purchasing needs and easily adapt to changing business requirements. Oracle Purchasing provides a store of policy and supplier information, a workbench for buying professionals, and consolidated visibility into spending.
Oracle Federal Administrator	Oracle Federal Administrator is an additional layer of Oracle that defines the "for-government" nature of the product suite. This module is used for set up and execution of Federal functions, such as Prompt Pay terms and FACTS I and II reporting.
Oracle Business Intelligence Discoverer	Oracle Business Intelligence Discoverer is an ad-hoc query, reporting, analysis, and Web-publishing tool that allows users to gain access to information from data marts, data warehouses, online transaction processing systems and the Oracle E-Business Suite.
Standard Interface Application	The Standard Interface Application is custom middleware developed by MCC's current service provider for use in consuming data from disparate systems. One of its main uses is translating data from the Federal Payroll/Personnel System (FPPS) into a format usable by Oracle Federal Financials.
Stop-Gap Human Resources Systems	Sharepoint - LANTERIA
Stop-Gap Procurement Systems	1) Priorities - MS Access 2) Procurement Action Log (PAL) – MS Access 3) Active Contract List – MS Excel 4) Interim Access Solution designed to encompass items 1 – 3 above
Stop-Gap Finance Systems	PSC Database – MS Access

6.3 MCC APPLICATIONS THAT MAY BE REPLACED

The following systems are external systems that are currently provided through the contract with the system provider. The successful vendor may provide the following systems and applications. However, if the provider is unable to offer these systems and applications, it must demonstrate that the system can fully integrate with these applications.

Exhibit 3. MCC Applications that may be Replaced

Application/System that may be Replaced	Current Description
Carlson Wagonlit E2 Solutions - eTravel	The provider must either maintain an eTravel solution with its proposal, be able to interface with Carlson Wagonlit E2 solution, or be able to interface with any eTravel system. The contract with the current system provider contains a pass-through agreement with E2 Solutions. E2 Solutions is one of three government-approved E-Gov Travel Service (ETS) providers. IE2 Solutions is used for booking travel requests, and is operated by Carlson Wagonlit. The two other ETS providers are EDS's FedTraveler.com and Northrop Grumman Mission System's GovTrip.
Federal Personnel/Payroll System (FPPS) – Personnel and Payroll management system	The provider must either be able to interface with FPPS or another government-approved Human Resource Line of Business (HRLoB) provided, personnel and payroll management system. If the offered IFMS/HRIS solution does not interface with FPPS, the provider shall offer a comparable alternative that complies with all applicable Federal requirements and regulations. The FPPS is a mainframe-based, portable, integrated, on-line, and real-time personnel and payroll system provided by the Department of Interior's National Business Center (NBC). The system provides personnel and payroll support to numerous agencies. The system is customer-driven, creating and generating the full life cycle of personnel transactions, enabling agencies to maintain records electronically. FPPS handles all current regulations including specialized pay, garnishments, special appointment programs, etc.
Quicktime	Quicktime is currently MCC's Time and Attendance and Labor Reporting system, as provided by NBC.

6.4 MCC INTERNAL OR CONTRACTED APPLICATIONS TO INTERFACE WITH IFMS/HRIS

In addition to the systems identified above, several other systems will need to successfully interface with the IFMS/HRIS.

Exhibit 4. MCC Applications to Interface with IFMS/HRIS

Application/System To Interface With IFMS/HRIS	Current Description
MCC Integrated Data and Analysis System (MIDAS) System or a future reporting system	MIDAS is envisioned to provide enterprise BI across all MCC data within the ADS. The service provider will allow MCC, or the MIDAS service provider (Booze, Allen, and Hamilton) access to the IFMS/HRIS data, on a daily basis for upload into the external MIDAS data store.
MCC Travel Card, Fleet, and Purchase Card	Centralized credit card system, provided by Citibank, as of 11/30/2008. The Service provider shall demonstrate and/or discuss the capability of the IFMS/HRIS solution to interface with any of the Federal web-based travel card systems.

6.5 EXTERNAL APPLICATIONS TO INTERFACE WITH IFMS/HRIS

In addition to the systems identified above, several external systems will need to successfully interface with the IFMS/HRIS.

Exhibit 5. External Applications to Interface with IFMS/HRIS

Application/System To Interface With IFMS/HRIS	Current Description
U.S. Department of Treasury Financial Management Systems:	**Provides central payment services to Federal agencies, operates the Federal government's collections and deposit systems, provides government wide accounting and reporting services, and manages the collection of delinquent debt owed to the government.**
International Treasury System - (ITS.gov)	ITS.gov is an international payment and collection system used for processing international direct deposit payments to benefit recipients and both electronic and check payments to vendor, foreign payroll, and miscellaneous payment recipients.
Government On-Line Accounting Link System (GOALS) II	Government On-Line Accounting Link System II allows agencies to report and view their financial information provided to the Treasury.
CA$HLINK	Worldwide deposit reporting and cash concentration system. Users can obtain daily deposit information using this report.

Application/System To Interface With IFMS/HRIS	Current Description
Intra-Governmental Payment and Collection (IPAC) System	The IPAC application's primary purpose is to provide a standardized interagency fund transfer mechanism for Federal Program Agencies. The IPAC System contains multiple components, including the IPAC application, the Retirement and Insurance Transfer System and the Treasury Receivable Accounting and Collection System interface.
Governmentwide Accounting (GWA) System Non-Expenditure Transfer (NET) Application	The U.S. Treasury's Financial Management Service (FMS) NET Application provides on-line access for Federal program agencies to initiate Non-Expenditure Transactions (NETs) and to review pending and posted transactions. Federal program agencies that prepare NETs should use this application to submit NET data to Treasury.
Payroll/Personnel System (PPS) and System for Time and Attendance Reporting (STAR) – U.S. Department of Agriculture (National Finance Center)	The U.S. Department of Agriculture's National Finance Center (NFC) Web-based application that enables entry, editing, correction, and transmittal of MCC's Personal Service Service providers' (PSCs) time and attendance reports to the core financial system.
Federal Procurement Data System - Next Generation (FPDS-NG) – U.S. General Services Administration (GSA)	The Federal Procurement Data System-Next Generation FPDS-NG is a Web-based procurement tracking system for Federal agencies. The technical underpinnings of FPDS-NG employ a services-oriented architecture with web services, open standards, and XML. FPDS-NG is maintained by Global Computer Enterprises, Inc., under contract with the GSA.
Central Service provider Registration (CCR) System – U.S. Government	CCR is the primary registrant database for the U.S. Federal government. CCR collects, validates, stores, and disseminates data in support of agency acquisition missions, including Federal agency contract and assistance awards. Assistance awards include grants, cooperative agreements, and other forms of Federal assistance. Whether applying for assistance awards, contracts, or other business opportunities, all entities are considered registrants. CCR validates registrant information and electronically shares the secure and encrypted data with the Federal agencies' finance offices to facilitate paperless payments through electronic funds transfer. Additionally, CCR shares the data with Federal government procurement and electronic business systems.
International Cooperative Administrative Support Services (ICASS) system – U.S. Department of State	The principal system by which the U.S. Government charges each agency having an overseas presence for the cost of a variety of common administrative services; ICASS services may include motor pool operations, vehicle maintenance, travel services, mail and messenger services and other items.
Consolidated Overseas Accountability Support Toolbox (COAST) - US Department of State	A component of the Department of State's Financial Management System.

Application/System To Interface With IFMS/HRIS	Current Description
USAJOBS – U. S. Office of Personnel Management	The Federal Government's centralized service for agency vacancy announcements.
Central Personnel Data File (CPDF) and Enterprise Human Resources Integration (EHRI) warehouse	The CPDF and EHRI warehouse are first and second generation human resources reporting systems for Executive Branch agencies, managed by OPM.

6.6 ACCOUNTING AND FINANCIAL MANAGEMENT SERVICES TO BE PROVIDED

The Service provider shall, at a minimum, manage and provide the following services.

Exhibit 6. Accounting and Financial Management Services to be Provided

Accounting Operations	Current Description
Budgetary, proprietary and management accounting	Preparation and analysis of regulatory reports, support of general ledger financial transactions, monitor funds availability within the financial system for proper funds control, record all necessary transactions for amounts due to the government, reconciliation of financial data, and research general ledger balances that are abnormal and/or have unusual account balances.
Financial transaction and payment processing	Oversight functions and execution related to financial transactions and payments processing.
Funds management and control	Maintain effective fund controls over all MCC funds, provide timely budget execution reports, ensure that proper controls are in place to maintain accuracy of budget execution.
Financial reporting	Preparation and analysis of MCC financial statements, footnotes, and disclosures and other required statements and information, within the prescribed due dates and in accordance with client and Federal regulations.
Ad-hoc reporting	Preparation and analysis of MCC reports that are not part of the standard report offerings but contain standard core financial information. These reports are specific to the MCC mandate and are required for its operations.
Budget execution reports	Preparation and analysis of MCC budget execution reports on a regular basis. MCC may require greater availability and updating of budget execution reports during quarter and Fiscal-Year end.

7. REQUIRED SERVICES

The offeror shall provide lifecycle system integration activities, hardware, software, licenses, and accounting operations to deploy, maintain, and support the IFMS/HRIS. At a minimum, these services shall include:

▶ Implementation and integration of IFMS/HRIS, including project management, conversion, and interface development;

▶ IFMS/HRIS hosting and application management services, including system maintenance, database administration, software licenses, and helpdesk operations;

▶ Management and execution of accounting operations, including financial statement preparation and reporting; budgetary, management and proprietary accounting; financial transaction processing, and payment processing;

▶ Upgrades and changes to IFMS/HRIS outside of normal operations; and

▶ Accounting operations support for financial management modules or upgrades outside of normal operations.

The Service provider shall identify, as part of its approach, all of the services that are necessary to meet the objectives of the IFMS/HRIS.

7.1 PROJECT MANAGEMENT AND IMPLEMENTATION OF IFMS/HRIS

The Service provider shall provide all necessary services for the integration of an OFFM-compliant core financial system. MCC shall require software configuration, integration, data migration, and deployment services to ensure that IFMS/HRIS is successfully put into production for all users. The broad scope of integration and deployment services required is as follows:

▶ Implementation and integration services:

  ▶ Program management;

  ▶ Change management;

  ▶ System analysis;

  ▶ Development and testing of system interfaces;

  ▶ Development and delivery of training;

  ▶ Develop Certification and Accreditation (C&A) Documentation;

  ▶ Obtain C&A; and

  ▶ System deployment.

- Data migration and conversion:

  - Data migration and conversion;

  - System and configuration testing support; and

  - Installation of the application, application patches, and service packs.

Each service area is described below. Offerors shall identify all necessary services to deploy their proposed approach.

7.1.1 Implementation and Integration Management

Program management

The Service provider shall deploy a business management process to manage the total work effort associated with implementing the IFMS/HRIS and providing the services required in this statement of objectives. In its business management approach, the Service provider shall demonstrate the necessary performance, risk avoidance and financial management expertise to implement the IFMS/HRIS. At a minimum, the Service provider shall provide:

- Implementation timeline and project management plan that comply with PMBoK standards;

- Proposed meeting plan and schedule for regular reviews throughout implementation;

- Financial management processes and procedures including cost control, reporting, purchasing and invoicing process;

- Risk management plan, including issue escalation and risk mitigation process and procedures and designated points of contact;

- Communications processes and procedures for sharing information with IFMS/HRIS PMO and transferring knowledge to the workforce;

- Data migration and conversion plan;

- Comprehensive training plan for MCC users; and

- Carnegie-Mellon Software Engineering Institute Capability Maturity Model Integration (CMMI) certification level.

The Service provider shall use an Earned Value Management System (EVMS) that meets American National Standards Institute/Electronic Industries Association (ANSI/EIA) Standard 748 and provide EVMS reporting to MCC.

Change management

The Service provider shall provide change management over the implementation. This will ensure that standardized methods and procedures are used for efficient and prompt handling of all

changes to controlled IT infrastructure, in order to minimize the number and impact of any related incidents upon service. Change management shall ensure standardized methods, processes and procedures are used for all changes, facilitate efficient and prompt handling of all changes, and maintain the proper balance between the need for change and the potential detrimental impact of changes.

System analysis

The Service provider shall perform an analysis of those systems that are within the scope of the IFMS/HRIS. This analysis shall include those systems that have been identified by MCC to be replaced by the new financial system and all other internal and external applications that interface with the core financial system. This analysis will ultimately determine MCC's future financial management environment.

Development and testing of system interfaces

MCC has a variety of interfaces from legacy systems, which must be carried forward with the new financial system. The Service provider shall focus, during the first phase of the implementation, on the development of corporate legacy systems' interfaces to the new financial system. Specifically, interfaces with MIDAS, or a future reporting system, FPPS, and the remaining systems listed in this SOO, Exhibits 3-5 shall be required.

During implementation, the Service provider shall develop and deploy interfaces for MCC's legacy systems. Each interface development effort should be driven by the existing design, but the Service provider is encouraged to suggest enhancements as necessary. The Service provider must demonstrate past experience in implementing multiple interfaces with heterogeneous technologies - specifically, flat file upload, scheduled batch transactions, and real-time exchanges using Extensible Markup Language (XML) messaging middleware.

Service providers must be able to provide proof of prior implementations of interfaces using recognized lifecycle management protocols. Any proposed approach must clearly identify stages for design, build, unit testing, integration testing, quality assurance testing, and user acceptance testing. CMMI or equivalent certification at level three (Level III) or greater is required.

Development and delivery of training

The Service provider shall propose an approach for delivering training. MCC has determined that there are approximately 75 users who may require varying degrees of training. The majority of users are located in Washington, DC. In addition, some users may be located overseas in MCC's partner countries, see www.mcc.gov for list of MCC partner countries. The training approach should be tailored to multiple audiences and also reflect multiple delivery approaches, which could include classroom delivery, online courseware, and train-the-trainer. The overall training schedule must be tied to the agency deployment schedule.

Develop Certification and Accreditation (C&A) Documentation

The Service provider shall develop C&A documentation, including the development of systems security materials as detailed in the NIST Common Criteria.

Obtain Certification and Accreditation (C&A) from MCC

MCC will initiate the process to obtain certification and accountability from a third party. The third party will review the Service provider C&A developed documentation as part of the certification process.

System deployment

The Service provider shall work with MCC's IFMS/HRIS PMO to develop a plan for system deployment, and then deploy the system. The plan shall have an enterprise schedule for completion of the overall implementation. The system deployment plan shall stipulate the methods for gathering user information that will allow MCC business processes to be correctly configured in the system, including but not limited to their document access and transaction rights. It is anticipated that the Service provider shall complete the system deployment plan before deployment work can be started. Plans shall also stipulate a go-live date that is tied to training delivery and data migration and validation.

Once the Service provider has been given permission to proceed, a named deployment team shall work with MCC contacts to gather and validate user data. The user data shall then be loaded into the system, and user records will be reviewed for validation that the data is correct. MCC staff will also conduct accuracy tests.

When configuration is completed, the Service provider shall trigger the appropriate procedure for migration to production. All delivered versions shall be subject to production readiness review and MCC conducted end-to-end quality assurance testing and user acceptance testing. Quality assurance and user acceptance testing must be certified and accepted by the government before the system / version can be deployed. The timing of this migration to production needs to match the Data Migration Plan and Training plan timelines.

7.1.2   Data Migration and Conversion

Data migration and conversion

MCC's business requirements necessitate that all data from the legacy system shall be migrated and/or converted to the new system prior to deployment. MCC requires that the migration and conversion plan be established to bring over open items at a detailed level. Correspondingly, the Service provider shall develop a plan for data migration that specifies the timeframe for migration, all data mapping between systems, and specific quality assurance mechanisms that include end-user validation of the process. The migration approach must also stipulate how the

Service provider shall ensure that data required for reference with integrated systems remain intact and traceable.

System and configuration testing support

The Service provider shall provide testing support during all stages of development and deployment. Test environments shall include development, quality assurance, user acceptance testing, and training.

Installation and configuration of the application, application patches, and service packs

The Service provider shall configure the system to meet MCC's data and operational requirements. At a minimum, this will entail gathering requirements that encompass the following areas:

‣ Data formats (e.g., chart of accounts including accounting segments)

‣ Database configuration (e.g., organization separation, organization specific data tables)

‣ User categories (e.g., define roles, responsibilities and security profiles)

‣ Operational standards and procedures

‣ MCC cyber security standards

The configuration must reflect the requirements of all MCC departments, as well as clear mechanisms to either protect or share business data across MCC according to business needs and policy directives. The configuration of data and organizations shall be subject to a production readiness review. MCC shall conduct end-to-end quality assurance and user acceptance testing before the system can be deployed. The outcome of user acceptance testing will help determine IFMS/HRIS deployment readiness.

It is anticipated that the Service provider shall provide multiple configured environments to include, at a minimum, development, test, training, production, and disaster recovery environments. The Offerors should ensure that their responses to this proposal reflect these needs and propose any additional methods or approaches required to support the volume of integration work that shall be required.

Both hardware and software configuration should be designed to accommodate the volume of MCC transactions, transactional data, and reference data, and the increases in all areas that will occur during the deployment and then operations of the new financial system.

7.2 IFMS/HRIS SUPPORT AND OPERATIONS

The service provider shall provide all necessary services to support and host the IFMS/HRIS. This includes both infrastructure hosting and application functional and technical support.

The scope of hosting services required is as follows:

- Infrastructure and application hosting services:
  - Hosting operations and maintenance;
  - Hosting services environments;
  - Network connectivity; and
  - Disaster recovery.
- IFMS/HRIS Maintenance and database administration:
  - Program management;
  - Configuration management and change management for major system upgrades; and
  - Production, test, and training environments.
- Software licenses:
  - Software license maintenance and operations; and
  - Application management.
- Helpdesk operations and support.

Each service area is described below. This list and the following descriptions are not all inclusive. The service provider shall be expected to provide a complete hosting solution that includes all the services necessary to deliver its proposed approach.

7.2.1 Infrastructure and Application Hosting Services

Hosting operations and maintenance

Operations and maintenance will be required once the IFMS/HRIS solution is implemented. Operations and maintenance will begin once the IFMS/HRIS is implemented and will continue for the remainder of the solution's lifecycle. The MCC Configuration Control Board will meet regularly to consider service provider requests to implement system changes. MCC requests that changes to the configuration of the system, and/or standard modules IFMS/HRIS solution, be offered on an as-needed basis.

The service provider shall provide ongoing support for the operations, maintenance and security of the deployed system infrastructure to include:

- Facilities;

- Network operations;

- System administration;

- Host-based intrusion detection;

- Network-based intrusion detection;

- Backups and restores;

- Monitoring of operating system, database, applications, and network;

- Support for installation of application patches and service packs;

- Physical database support and management;

- User IDs and passwords resets;

- System software patches and upgrades;

- Hardware lifecycle replacement;

- Maintain compliance with Federal system security requirements; and

- Propose a process for maintaining compliance with Federal accounting requirements.

The Service provider shall provide ongoing support for the operations, maintenance and security of the deployed applications to include:

- Application break-fix;

- Patch research, testing, and application;

- Application database support and management;

- Instance management/change control;

- Interface support;

- Functional support;

- Application end user security;

- Batch job management;

- Printer management; and

- Application and database performance tuning and capacity planning.

The Service provider shall provide application availability to the system (to include the entire technology stack) of 99.58% during MCC core hours of business (Monday – Friday, 7 AM – 7

PM, Eastern Standard Time, excluding Federal holidays). The Service provider may propose additional availability and reliability metrics.

Hosting services environments

In support of the production hosting environment, the Service provider shall provide and maintain the following environments as a minimum:

▸ Development including unit and integration testing;

▸ Quality Assurance and User Acceptance Testing;

▸ Training;

▸ Production including multiple instances of the application; and

▸ Robust disaster recovery backup site.

Network connectivity

The Service provider shall provide access to IFMS/HRIS via a web browser connected to high-speed network lines linked to the hosting provider. The hosting provider shall ensure that there is redundancy in communication lines from the MCC Wide Area Network to the hosting provider facility.

Disaster recovery and COOP

The Service provider is responsible for ensuring that a disaster recovery plan is in place to meet the following requirements:

▸ Geographically located offsite and away from production site;

▸ Disaster recovery site shall be mirrored to the production site utilizing Storage Area Network architecture;

▸ A Recovery Time Objective (RTO) of 24 hours or less;

▸ A Recovery Point Objective (RPO) of 4 hours;

▸ The disaster recovery systems may operate with some diminished capacity, but all functionality, and access to all data, shall be provided to all users within 48 hours or less of the disaster declaration; and

▸ Disaster recovery drills every six months using the disaster recovery system backup site provided by the Service provider.

The Service provider is also responsible for developing a comprehensive COOP for the IFMS/HRIS that facilitates the performance of the IFMS/HRIS essential activities and functions

during the full range of human-caused, natural, technological, and national security emergencies. The IFMS/HRIS COOP shall also comply with MCC's internal COOP.

7.2.2 IFMS/HRIS Maintenance and Database Administration

Program management

The Service provider shall deploy a business management process to manage the hosting and support of the IFMS/HRIS. In presenting its business management approach, the Service provider shall demonstrate the necessary performance, risk avoidance and financial management expertise to achieve the objectives in the this SOO, Section 3, and the performance requirements proposed by the Service provider in accordance with the Implementation Approach section of this document. At a minimum, the Service provider shall provide:

▸ Program coordination with the MCC PMO;

▸ Integration cost, schedule and performance management and reporting;

▸ Financial management processes and procedures including cost control, reporting, purchasing and invoicing process;

▸ Approach to systems security;

▸ Risk mitigation and management process and issue-escalation procedures, as well as designated points of contact at each level of escalation;

▸ Approach for maintenance of system internal controls (OMB A-123);

▸ Communications processes and procedures for sharing information with the IFMS/HRIS PMO and transferring knowledge to the workforce;

▸ Approach for separation of duties between accounting and payables entry personnel; and

▸ The Service provider meeting plan and schedule for monthly and quarterly reviews.

The Service provider must use an Earned Value Management System (EVMS) that meets American National Standards Institute/Electronic Industries Association (ANSI/EIA) Standard 748 and provide EVMS reporting to MCC.

Configuration management and change management for major system upgrades

The Service provider shall provide the configuration management of security features and assurances throughout minor and major upgrades to the IFMS/HRIS. This includes management and development of documentation, test, test fixtures, and test documentation throughout the life cycle (major and minor upgrades and releases) of the IFMS/HRIS, as appropriate for the situation.

The Service provider shall provide change management over major system upgrades. This will ensure that standardized methods and procedures are used for efficient and prompt handling of all changes to controlled IT infrastructure, in order to minimize the number and impact of any related incidents upon service. Change management shall ensure standardized methods, processes and procedures are used for all changes, facilitate efficient and prompt handling of all changes, and maintain the proper balance between the need for change and the potential detrimental impact of changes.

7.2.3   Software Licenses

Software license maintenance and operations

The Service provider shall manage, maintain and operate all software necessary to fulfill all functional and technical requirements. It is anticipated that the IFMS/HRIS shall consist of one or more commercially available products with limited or no custom development. Therefore, instead of software development, the Service provider shall be required to integrate one or more pre-developed components and configure the integrated solution to operate within the MCC environment. The Service provider shall not propose any software currently in development or in testing.

The offered IFMS/HRIS solution software shall meet all functional and technical requirements, as listed in Section 8 of this SOO, and in the Technical Requirements in Section J, Attachment J.2.1 and J.2.2 of the solicitation. Therefore, the minimum required software modules, that shall meet standard functional requirements are:

▶   General Ledger management;

▶   Budgetary resource management;

▶   Payment management;

▶   Receivable management;

▶   Cost management;

▶   FBWT management;

▶   Travel management;

▶   Credit card/purchase card;

▶   External and ad hoc reporting;

▶   Procurement management;

▶   Asset management; and

▶   The following automated Human Resources systems requirements:

▸ Staff Acquisition

▸ Performance Management

▸ Human Resource Development

▸ Workforce Tracking and Entry on Duty

▸ Time and Attendance

Application management

The Service provider shall demonstrate the capability of IFMS/HRIS solution to interface with current or alternative applications in use by the MCC.

Help Desk Services

The Service provider shall provide Level 1 to Level 3 help desk support. The Service provider shall provide a single point of contact for all implementation, system hosting and accounting personnel. The accounting support help desk requests will be routed to Federal financial accounting personnel that are knowledgeable of and comfortable with MCC operations. Requests will be routed as necessary and SMEs will be utilized efficiently to trouble-shoot high level Federal financial issues, while effectively eliminating the necessity of a MCC-dedicated SMEs. The help desk support shall meet the following requirements:

▸ Provide availability during core MCC operating hours: Monday-Friday, 7 AM – 7 PM EST (excluding Federal holidays). If extended hours are required, MCC shall provide the Service provider with 48 hours notice prior to the request;

▸ Provide a ticketing system for call logging, routing, resolution, and reporting;

▸ Provide a single point of entry for all help desk issues including system, hosting and accounting operations support; and

▸ Point of contact and/or issue elevation for eTravel help desk.

7.3   ACCOUNTING OPERATIONS, FINANCIAL MANAGEMENT, AND TRANSACTION PROCESSING

The Service provider shall provide all necessary services for the management, oversight, and processing of accounting operations, financial management, and transaction processing to meet all Federal reporting, budgetary, accounting, financial, and acquisition requirements, standards, and audits.

▸ Personnel management:

  ▸ Provide qualified Federal government finance and accounting professionals,

- ‣ Efficient management of staff allocation,

- ‣ Training of contracted personnel, and

- ‣ Performance-based reporting;

‣ Support for automated budget planning and formulation tools;

‣ Core financial accounting:

- ‣ Budgetary, proprietary, and managerial accounting;

- ‣ Financial transaction and payment processing;

- ‣ Funds management and control;

- ‣ Financial reporting;

- ‣ Ad hoc reporting; and

- ‣ Budget execution reports; and

‣ Procurement and acquisition data processing.

7.3.1   Personnel Management

Provide Qualified Federal Government Finance and Accounting Professionals

The Service provider shall provide a staff with experience in Federal financial management requirements. This shall include a mixture of dedicated personnel with a flexible pool of subject matter experts (SMEs) available to oversee and execute financial and accounting transactions. The team of accountants, technicians and financial managers shall have a detailed knowledge of, and hand-on experience with Federal government accounting procedures, rules, and regulations.

Acquisition transaction processing means the following with regards to this proposal: funds availability checks, receipt and acceptance of goods and services, vendor payments, Reports of Discrepancy (ROD), and the accounting portion of contract close-out.

Reporting Requirements

The Service provider shall provide regular performance reports on the validity, timeliness and accuracy of the transactions performed by its accounting personnel. These reports will be tied to financial incentives and disincentives within the Service Level Agreement (SLA).

7.3.2 Support for Automated Budget Planning and Formulation Tools

The automated budget planning and formulation tools require data processing and financial management assistance from the Service provider personnel. The Service provider shall provide personnel to support the funds control and funds status requirements. This includes ensuring accuracy of the reports and aiding in the completion of these reports. This tool shall also assist in the automation of the following processes: budget planning and formulation, budget preparation, budget authority, and funds distribution. For the last two categories: Funds Control and Funds Status, MCC may require Service provider personnel financial management support.

7.3.3 Core Financial Accounting

Budgetary, Proprietary, and Managerial Accounting

Preparation and analysis of regulatory reports, support of general ledger financial transactions, monitor funds availability within the financial system for proper funds control, record all necessary transactions for amounts due to the government, reconciliation of financial data, and research general ledger balances that are abnormal and/or have unusual account balances.

Financial Transaction and Payment Processing

Oversight functions related to financial transaction processing. This includes management, entry, and verification of commitments, obligations, payments, funds control, entry and reconciliation of invoices, and cash management.

Funds Management and Control

Service provider personnel shall:

▸ Maintain effective fund controls over all MCC funds.

▸ Provide timely budget execution reports. During quarter-end and year-end, budget execution reports may be required daily, or possibly hourly.

▸ Ensure controls are in place and maintained to provide accurate budget execution.

Financial Reporting

Financial includes the preparation and analysis of MCC financial statements, footnotes, and disclosures and other required statements and information. This includes monthly, quarterly and annual financial reports to OMB and the U.S. Treasury, as well as Federal Agencies' Centralized Trial Balance System (FACTS) I and II reporting. All actions must be processed within the prescribed due dates and in accordance with MCC and Federal regulations.

Ad Hoc Reporting

Service provider shall aid in the preparation and analysis of ad hoc reports, as required by MCC operations. These reports include MCC-mandated reports, such as its Quarterly Report to Congress and other reports required for MCC operations. Ad hoc reports will utilize data available in the core financial system in formats that may not be readily available in the offered IFMS/HRIS system.

Budget Execution Reports

Service provider accounting personnel shall aid MCC in ensuring that MCC's budget is executed in accordance with applicable Federal laws and regulations. Preparation of budget execution reports shall allow for proper sub-divisions of appropriated and apportioned funds as required by MCC operations.

7.3.4 Acquisition Transaction Data Processing

Contracted personnel shall ensure the validity and timely execution of transactions processed through the automated procurement and acquisition system.

7.4 INTEGRATION WITH OR PROVISION OF ETRAVEL APPLICATION

The Offeror shall submit a solution that either integrates with MCC's current eTravel solution, provided by Carlson Wagonlit, or offer one of the federally-approved eTravel solutions. For either of these alternatives, the Offeror shall demonstrate that the IFMS/HRIS is fully and effectively integrated with the chosen solution.

7.5 INTEGRATION WITH OR PROVISION OF PERSONNEL AND PAYROLL MANAGEMENT SYSTEM

The Offeror shall submit a solution that either integrates with MCC's current Federal personnel and payroll management system solution, provided by NBC, or offer one of the federally-approved HRLoB solutions. For either of these alternatives, the Offeror shall demonstrate that the IFMS/HRIS is fully and effectively integrated with the chosen solution.

7.6 UPGRADES AND CHANGES TO IFMS/HRIS OUTSIDE OF NORMAL OPERATIONS

Future MCC operations may require updates and/or changes to the offered IFMS/HRIS solution. If these modules, applications, or tools are outside of the original SLA, or outside of the Service provider's shared service environment, funding changes may be provided through this service area.

7.7 ACCOUNTING OPERATIONS SUPPORT FOR FINANCIAL MANAGEMENT MODULES OR UPGRADES OUTSIDE OF NORMAL OPERATIONS

MCC may need personnel operations support for financial management modules that are not currently listed or are not provided as part of the Service provider's shared service environment. If the required support is outside of the original SLA, or the Service provider's shared service environment, funding changes may be provided through this service area.

7.8 INTEGRATION WITH OR PROVISION OF GRANTS MANAGEMENT SYSTEM

The Offeror shall demonstrate that the chosen solution fully and effectively integrates with the IFMS/HRIS.

8. FUNCTIONAL AND TECHNICAL REQUIREMENTS

8.1 FUNCTIONAL AND TECHNICAL REQUIREMENTS

8.1.1 Standard Functional Requirements

MCC intends for the IFMS/HRIS to be a fully integrated, federally compliant financial and human resource management system. The financial system transactions are managed and provided by experienced Federal financial management professionals and the human resource management transactions will be managed by experienced MCC HR professionals. This acquisition requires that the Service provider implement and support the operations of IFMS/HRIS to accurately account for all financial and acquisition activities and regularly create standard and ad-hoc reports on these transactions. It requires the Service provider's team of Federal financial management professionals to oversee and accurately execute the transactions provided as part of this solicitation, in a timely manner. It also requires the Service provider to host, train and support HRIS applications selected by MCC for implementation.

Per OMB Circular A-130, *Management of Federal Information Resources* requirements, the IFMS/HRIS tools, modules and applications that support the following functions shall preferably be COTS software solutions. This will reduce costs, improve the efficiency and effectiveness of system improvement projects, and reduce the risks inherent in developing and implementing a new system.

The Offeror shall provide, with its proposal, a Business Plan for Continued Federal Compliance to demonstrate that all software products provided will be supported for a minimum period of five (5) years after full MCC deployment. "Supported" is defined here as continued compliance with any new legislative, OMB, and Treasury mandates affecting financial management and reporting requirements.

MCC envisions that the solution shall support the following high-level business areas as described by OFFM and its subsequent versions:

Core Financial System

▶ *Systems Management*: The Systems Management function ensures that the capabilities exist to capture, process, and report all MCC financial activities. The Systems Management function establishes the framework for sharing data among components of an agency's single integrated financial management system. This function also ensures that transactions are processed consistently and completely and that appropriate audit trails are maintained. The Systems Management function is decomposed into five major subcategories: Accounting Classification Management, Document and Transaction Control, Document Referencing and Modification, System-Generated Transactions, and Audit Trails.

▶ *General Ledger Management*: General Ledger Management is the central function of the Core financial system. All transactions to record financial events must post to the general ledger, regardless of the origin of the transaction. Transactions originating in other systems may post to the general ledger at a summary or detailed level, depending on an agency's overall financial management system design and need. At a minimum, however, summary transactions must post at a level that maintains the accounting classification elements and attributes needed to support central agency reporting. The General Ledger Management function is decomposed into six major subcategories: General Ledger Account Definition, Transaction Definition, General Ledger Update and Editing, Upward/Downward Spending Adjustments, General Ledger Analysis and Reconciliation, and Accounting Period Maintenance and Closing.

▶ *Budgetary Resource Management*: The Budgetary Resource Management function supports activities associated with controlling MCC's internal funds, establishing rules for budget operations, distributing funds internally, and monitoring MCC's resources and available funds. The Budgetary Resource Management function is decomposed into six major subcategories. For the first four categories: Budget Planning and Formulation, Budget Preparation, Budget Authority, Funds Distribution, MCC requires assistance with the automation of these processes. For the last two categories: Funds Control and Funds Status, MCC requires Service provider financial management personnel support.

▶ *Payment Management*: The Payment Management function supports activities to provide appropriate control over all payments made by or on behalf of the Corporation. MCC makes payments to vendors in accordance with contracts; to employees for salaries and expense reimbursements including travel and to other Federal agencies for reimbursable work performed. The Payment Management activity is decomposed into five major sub-activities: Payee Information Maintenance, Accounts Payable, Invoicing, Disbursing, and Payments.

▶ *Receivable Management*: The Receivable Management function supports activities associated with recognizing and recording debts due to the Government, performing follow-up actions to collect on these debts, and recording agency cash receipts. A receivable is recognized when an agency establishes a claim to cash or other assets against other entities. It is important to note that some receipts may be collected without a receivable having been previously established. The Receivable Management activity is decomposed into four major sub-activities: Customer Information Maintenance, Receivable Establishment, Debt Management, and Collections and Offsets.

▶ *Cost Management*: The Cost Management function encompasses the capability to accumulate, recognize, and distribute the cost of an agency's activities in the financial system for management information purposes. Managerial cost accounting concepts and standards for the Federal Government are prescribed in SFFAS 4, Managerial Cost Accounting Concepts and Standards for the Federal Government, promulgated by FASAB. The Cost Management activity is decomposed into three major sub activities: Cost Setup and Accumulation, Cost Distribution, and Cost Reporting.

▶ *FBWT Management*: The FBWT function represents the money an agency can spend on future authorized transactions. Agencies record transactions that post increases and decreases to agencies' FBWT in USSGL account 1010 in the general ledger. Appropriation warrants, non-expenditure transfers, collections, and disbursements are some of the transactions that impact an agency's FBWT. The FBWT function is decomposed into three major subcategories: Treasury Information Maintenance, Payment Confirmation Process, and Reconciliation and Reporting.

Payroll Processing Management

The IFMS/HRIS must have an application that imports and processes information from the personnel and payroll management system into the core financial system database. This system shall fully interface with the personnel and payroll management system to reduce manual entry, thereby increasing reporting efficiency and reducing the risk of data entry errors.

▶ *Payroll Processing*: The system shall enable the accurate and timely processing of MCC Full-Time Employees (FTEs) and Personal Service Service providers (PSCs), as described in more detail in this SOO, Section 8.1.2

▶ *Labor Reporting*: A labor reporting system shall ensure that employees hours are accurately associated with program, project, and activity costs. The entries for labor reporting should not be a burden on the employee and should be flexible for MCC operations.

▸ *Time and Attendance Importing*: The Time and Attendance information, as captured by the personnel and payroll management system, shall fully interface with the core financial system database.

Procurement Management

The automated procurement component of IFMS/HRIS shall meet all mandatory requirements within the Joint Financial Management Improvement Program (JFMIP) *Acquisition/Financial Systems Interface Requirements*. The proposal response shall also provide an approach to comply with the updated version of these requirements, the OFFM Acquisition System Requirements. Furthermore, the automated procurement system shall also meet all Federal Acquisition Regulation (FAR) requirements and any other applicable guidelines or requirements. The automated procurement system guidelines, per OFFM requirements are:

▸ *Requirement Definition:* This process starts the acquisition process. The function ensures that capabilities exist to capture and assess requirements submitted in an acquisition request. The acquisition system receives requirements as acquisition action requests, either directly entered into the Acquisition system or from an external system, such as a requisition system, inventory/supply system, work/repair order management system, or Core financial system where the funds are committed.

▸ *Acquisition Planning*: This function aids in the development of the solicitation/contract and is critical to a successful acquisition. During Acquisition Planning, the requirement expressed in an acquisition action request is analyzed to determine the best procurement approach, with emphasis on locating suitable commercial items or nondevelopmental items, fostering full and open competition, and coordinating with all individuals responsible for significant aspects of the acquisition.

▸ *Synopsis and Solicitation*: The Synopsis and Solicitation function provides the ability to generate and distribute synopses of contemplated acquisition actions and to prepare and distribute actual solicitations for the acquisition of required supplies and services.

▸ *Source Selection*: The Screening and Evaluation function consists of the processes that the system uses to gather the information necessary for the evaluation of both Offerors and their offers. The process screens the Offerors, evaluates the offers, and prepares notifications for unsuccessful Offerors. The content and extent of the specific processes will depend on several factors such as (1) the contracting method being used (e.g., FAR Parts 12, 13, 14, or 15); (2) whether there is full and open competition, a limited form of competition, or no competition (e.g., a sole source award); (3) whether the eventual award will be a BPA, a stand-alone contract, or an order under an existing contract; and (4) whether the award will be made by the requiring agency or another entity.

▸ *Award*: The Award function comprises several related and sequential processes: final eligibility screening of the successful Offeror, preparation of the final version of the contractual documents, certification of funds availability, and issuance and distribution of the award documents. The function also includes notification to unsuccessful Offerors, as appropriate, and tracking of protests prior to or concurrent with award.

▸ *Contract Administration*: The Contract Administration function comprises the processes needed to manage a contract in the post award phase. These processes include notifying, routing for review and approvals, tracking critical dates, monitoring service provider performance, issuing contract modifications, processing receipt and acceptance documents, and closing out contracts. As part of contract administration, service provider performance documentation is generated and information critical to the payment process is provided to the core financial system. Contract performance data from the procurement module must be uploaded into an MCC-controlled database, for entry into MIDAS,or a future reporting system, on a nightly basis.

Asset Management

The asset management module shall maintain compliance with all applicable Federal requirements and guidance concerning asset management. This includes all applicable guidance in the JFMIP[1] *Property Management System Requirements* and *Inventory, Supplies, and Materials System Requirements*.

Human Resource System Support

▸ *Staff Acquisition*: The staff acquisition module shall provide automated support for recruiting and selecting high-quality, productive employees with the right skills and competencies in accordance with Merit System Principles. This includes capturing and storing position qualifications and assessment criteria, announcing vacancies, receiving applicant documentation, determining qualified/eligible applicants, and documenting final applicant status.

▸ *Performance Management:* The performance management module will provide automated system support for establishing individual performance requirements, conducting a multi-rater appraisal process, and documenting, tracking and reporting on the performance management process at both the individual and MCC-wide levels.

▸ *Human Resource Development:* The human resources development module will provide automated system support for implementing employee development activities to ensure MCC employees have the right competencies and skills for current and future work assignments.

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[1] This guidance was originally created under the JFMIP effort and is now under the FSIO guidance umbrella. The listed guidance is the most recent as of 7/19/2008.

This can include conducting employee development needs assessments, administering employee development programs, and evaluating the overall effectiveness of MCC's employee development approach.

▶ *Workforce Tracking and Entry on Duty:* The workforce tracking and entry on duty module will provide an automated system for tracking vacancies, announcements, and on-boarding activities. The module will serve as a link from the hiring and staffing process to the personnel and payroll system.

▶ *Time and Attendance:* The time and attendance module shall use self-service and automated workflow to manage time reporting and approval. It will also provide automated support for leave processing.

Reporting

The reporting function ensures that the system provides the basic standard reports needed to review financial information and to fulfill central agency reporting requirements. It provides specifications for the minimum data elements to be displayed in the internal and external financial reports, while establishing general requirements that provide users with flexibility in configuring the reports, viewing the reports, and generating the reports for specified periods and dates.

8.1.2   MCC-Specific Functional Requirements

Below are examples of MCC-specific, functional requirements. Many of these operations are unique to MCC and its mandate. The MCC-Specific Glossary can be found in Appendix 2 of this SOO. The IFMS/HRIS and its supporting Federal financial management accounting staff must be able to provide support in the following areas.

Budget

▶ *Budget Planning and Formulation:* MCC's annual budget request and Congressional Budget Justification (CBJ) are based on cost estimates that have been thoroughly reviewed and deemed reasonable and appropriate by MCC's CEO, CFO, DCFO, Senior Budget Officer and other responsible MCC officials. The MCC budget planning formulation process is a performance-based, result-oriented approach to formulating budget requests.

▶ *Budget Execution and Funds Control*: The IFMS/HRIS and accounting personnel must be able to aid the MCC in ensuring that MCC's budget is executed in accordance with applicable Federal laws and regulations. The IFMS/HRIS shall allow for proper sub-divisions of appropriated and apportioned funds as required by MCC operations. The IFMS/HRIS and accounting personnel will also help establish a system of effective fund controls to limit the occurrence of statutory and administrative funds control violations during the budget execution process.

Funds Management

▶ *Authorizing and Recording Commitments and Obligations*: The IFMS/HRIS and accounting personnel shall follow MCC's policies, as well as all applicable Federal regulations and guidance, to accurately record obligations and de-obligations in the IFMS/HRIS upon receipt of authorized documentation. The IFMS/HRIS and accounting personnel must ensure that funds are available prior to incurring commitments and obligations.

For applicable MCC program and administrative funds, authorized MCC Division of Finance and/or IFMS/HRIS accounting personnel record commitments in the core financial system in advance of executing a binding agreement or recording obligations; the amount to be recorded as a commitment is the estimated procurement or other costs set forth in the applicable commitment document (e.g. requisition).

MCC only records commitment against appropriated and apportioned funds, the Division of Finance, along with the IFMS/HRIS and accounting personnel, ensure the availability of funds in MCC's apportionment accounts prior to recording commitments in the core financial system.

The IFMS/HRIS and accounting personnel must also assist in the review and de-obligation of unliquidated obligations, the 1311 Review of Open Obligations for administrative funds, due diligence, 609(g) and audit funds on a quarterly basis. IFMS/HRIS shall also allow for automatic de-obligation of unliquidated obligations on certain administrative funds, such as funds obligated to cover, for example: Permanent Change of Station (PCS) vouchers, travel vouchers, and contracts and purchase orders when the last payment is designated as final. The IFMS/HRIS and accounting personnel shall follow all other MCC guidelines for authorizing and recording commitments and obligations, including external reporting requirements (Department of Treasury Certification and Year-end Closing Statement to Treasury), and NARA standard records retention.

▶ *Accrued Liabilities through the Quarterly Financial Reports (QFRs)*: Payments to the recipient countries that do not use the Common Payment System (CPS) are made through disbursements in monthly tranches, on a quarterly basis. Disbursements are made to support recipient country staff and pay vendors utilized for compact projects. As these disbursements accrue interest, they are subject to U.S. Treasury guidelines and reporting standards for accrued interest on U.S. moneys.   Certain sections of the QFR report and track the amount of interest accrued on these funds. The IFMS/HRIS and accounting personnel shall be responsible for verifying the accuracy and timeliness of these repayments of accrued interest to the U.S. Treasury.

Accounting

▶ *Accounting and Financial Transactions*: All transactional data must be uploaded into a MCC-controlled database, as designated by MIDAS, or a future reporting system, on a nightly basis. Some of the financial data will come directly from international financial entities (either commercial banks operating in foreign countries or state banks), which utilize International Accounting Standards (IAS). The system and provider must be able to accurately record this information, with appropriate verification, in a timely manner.

▶ *Advances under Compacts and 609(g) Agreements:* Compact countries that do not use CPS receive disbursements from MCC in monthly tranches, on a quarterly basis. The funds that are not utilized immediately by the compact projects are held in permitted accounts and considered advances. The MCAs' fiscal agents and accountable entities must accurately track, record and wire the interest accrued on the compact funds, to the U.S. Treasury, on a quarterly basis. The funds are held in U.S. dollar-denominated interest bearing accounts. The MCAs' fiscal agents wire the interest accrued to the U.S. Treasury, via the Service provider-controlled custodial account, on a quarterly basis. The Service provider accounting staff and system must monitor the transmittals of interest on permitted accounts from the MCAs' fiscal agents to MCC. The Service provider accounting staff shall ensure that the credit received from Treasury, created upon completion of the wire transfer, matches the information in the Quarterly Financial Reports (QFRs), as entered into the MIDAS system, or a future reporting system, by fiscal agents, or received from each compact country's fiscal agent on a quarterly basis.

Each QFR details how the previous disbursement was spent, the amount of interest accrued on the funds, in U.S. dollars, and other pertinent information in order to receive future requested disbursements. QFRs are completed and transmitted for approval to MCC stakeholders, on a quarterly basis regardless of whether the fiscal agent requests further disbursements.

MCC departments review the QFR data to ensure that the compact projects utilize the funds properly and that the requested disbursements are necessary. These reports also contain, in part, the reported interest accrued and the amount deposited in the FBWT. Although the service provider will not be responsible for the distribution of QFRs for approval throughout MCC, the IFMS/HRIS and the provider will have to interface with MIDAS, or a future reporting system, to receive, validate, and enter the necessary information into the core financial system.

▶ *Advances under Interagency Agreements (IAAs):* MCC uses the Treasury's IPAC system to process interagency transactions. Some Federal agencies may withdraw funds (advances)

from MCC via the IPAC system for costs that will be incurred in the near future when providing goods or services to MCC.

▶ *Common Payment System (CPS):* Some recipient countries receive moneys through the International Treasury Service (ITS) system or the Secure Payment System (SPS). Both systems are administered by the U.S. Treasury's Financial Management Service (FMS). ITS is used when the recipient countries' accountable entities are Non-US banks and SPS is used for accountable entities that are US banks. The two systems will be referred to generically as CPS. The CPS transfers moneys to the recipient countries' permitted accounts when requested by the recipient countries' accountable entities and approved by supporting accounting staff. The IFMS/HRIS and its accounting personnel shall rely on vendor invoices, batched from the recipient countries, for verification. Vendor payment requirements will be from the perspective of the recipient country. This will require a quicker turnaround period for the Service provider and the IFMS/HRIS system. The initial time period required for payment will start within the recipient country and end when the accountable entities have disbursed the payments to the vendors and other recipients.

▶ *Non-Expenditure Transfers (NETs)*: MCC delegates the management and execution of its Threshold programs to USAID. MCC transfers two types of money to USAID and other governmental agencies to support Threshold programs. MCC allocates and transfers funds to USAID via NETs. The allocated funds are administration service fees for USAID oversight of the Threshold programs. The transferred funds are provided to the Threshold countries, and managed by USAID. The service provider and system must account for these two types of funds separately.

Financial Management

▶ *Financial Reporting – Accounting Classification and Financial Audits*: The IFMS/HRIS shall provide the necessary flexibility in its accounting classification to allow for accurate reporting of MCC operations and compliance with Federal regulations and requirements. The Service provider shall demonstrate that it has a timeline for compliance with CGAC guidelines.

▶ *Financial Reporting – General*: All transactional data must be uploaded into a MCC-controlled database, as designated by MIDAS, or a future reporting system, on a daily basis. Some of the financial data will come directly from international financial entities (either commercial banks operating in foreign countries or state banks). The system and provider must be able to accurately record this information, with appropriate verification, in a timely manner.

Financial reports (quarterly, year-end financial statements, etc.) should be created by the Service provider that manages the accounting personnel and not sub-contracted to another organization. This will ensure the accuracy of the financial reports.

Payroll

MCC relies on two types of payroll systems, one for its FTE Staff and another for its PSC.

▶ *FTE Staff*: For its FTE staff, MCC outsources its payroll management and personnel processing to a HRLoB provider, NBC. NBC utilizes the FPPS to manage and process MCC's FTE payroll.

▶ *PSC Staff*: MCC relies on NFC to disburse payments electronically to PSC employee bank accounts. NFC provides PSCs earning statements and password access to its online system, Employee Express. NBC records payroll data to the NFC web-based payroll System for Time and Attendance Reporting (STAR). It also reconciles monthly disbursements to employee time sheets.

The Service provider shall provide a payroll services system that fulfills the technical requirements, listed in section 8.1.1 of this SOO and meets the MCC-specific functional requirements, above.

Travel

▶ *Post Relocation*: For all MCC PCS employees, the IFMS/HRIS and the Service provider accounting staff receive, review, record, and process travel authorization forms, the SF-1012, and the SF-1190 in the core financial system.

Compact and 609(g) Financial Management

▶ *Compact Financial Transactions:* The MCC provides assistance to eligible countries that enter into compacts with the United States. Compacts are generally 5-year, multi-million dollar agreements between the MCC (on behalf of the U.S. Government) and eligible countries. These funds are granted to the eligible countries to fund specific programs targeted at reducing poverty and stimulating economic growth. The outsourced account staff record compact apportionments in the IFMS/HRIS core financial system; review and record commitments of funds and obligations; advance funds to recipient countries per disbursement requests; and obligate, de-obligate and/or liquidate the funds based on quarterly reports from the recipient countries as entered in MIDAS, or a future reporting system, or received directly by the recipient countries and approved by MCC staff.

▶ *609(g) Financial Transactions:* Section 609(g) of the Millennium Challenge Act of 2003 authorizes MCC to enter into contracts or grants agreements for an eligible country to assist in facilitating the development and implementation of a compact between the United States government and that country. 609(g) funds are budgetary resources used to fund contracts or grants for any eligible country. The purpose of the funds is to facilitate the development and implementation of the compact between the United States and the recipient country. The

outsourced accounting staff will record, review, and validate 609(g) apportionments, commitments, obligations in the IFMS/HRIS core financial system. The outsourced accounting staff will also receive, process, and make direct payments to vendors, employees, and other recipients for provision of 609(g) funded goods or services, many of which operate solely within emerging economies.

Overseas Operations

▸ *Overseas Operations*: As part of its normal operations, MCC requires its personnel to travel frequently to eligible and recipient countries. For compact oversight, it also maintains the constant presence of Resident Country Directors (RCDs) within each recipient country. MCC utilizes the International Cooperative Administrative Support Services (ICASS) system to reimburse the U.S. Government for the provision of administrative services to its staff overseas. MCC also contributes to the Capital Security Cost-Sharing Program due to its presence abroad. The IFMS/HRIS and accounting personnel will review, process and track transactions through the various overseas financial systems, including the State Department's Consolidated Overseas Accountability Support Toolbox (COAST), ICASS, as well as the Intra-governmental Payment and Collection (IPAC) system.

Procurement

MCC's Division of Contracts and Grants Management, within the Department of Administration and Finance, controls, manages, and maintains the procurement and contracting for all MCC headquarter goods and services. The Contracts and Grants Management Division also manages the issuance of grants to third-party providers. The Contracts and Grants Management Division does not normally procure the goods and services for recipient countries, nor does it manage the process of issuing compacts, 609(g) agreements, or Threshold funds.

8.1.3   System Technical Requirements

The IFMS/HRIS shall satisfy the technical requirements as defined in the OFFM Core Financial Systems requirements.

Further, the proposed solution must meet any MCC identified unique requirements, and must provide capabilities to support NIST common criteria operational requirements. The complete list of Technical Requirements that must be satisfied is provided in Section J, Attachment J.2.1 and J.2.2 of the solicitation.

In addition to meeting the OFFM standards regarding technical requirements for the financial system, at a high level the financial system must perform the following:

▸ *Provide a Secure, Robust, Enterprise-Wide, Web-based/enabled System*: Provide a secure, modular, web-based/enabled system that is scalable and flexible to meet core financial and

procurement needs, including supporting the anticipated MCC user population, transaction volume, and a wide variety of workload processing demands via a user-friendly GUI. The solution shall be web-based, which is defined as an application that is built from the ground up to run on the Internet/Intranet and requires no major client-side supporting software. The proposed solution must utilize a single, browser-based interface for all featured functionality, with no major desktop client of any variety.

The system solution shall be accessible through Microsoft Internet Explorer 6.0. The vendors shall also indicate compatibility with other web browsers including Netscape and Mozilla Firefox. End-user access to the application must be completed over secure HTTP connections (HTTPS) and application interfaces must be completed over SSL 3.0 connections. Please refer to specific Technical Requirements in Section J, Attachment J.2.1 and J.2.2 of the solicitation.

▶ *Provide Flexibility while Supporting Standardization*: A single integrated system solution that supports and enforces standard Federal accounting practices while providing flexibility to accommodate component-specific configuration needs.

▶ *Support MCC (Internal) and Non-MCC (External) Interfaces to Financial and Other Legacy Systems*: Support real-time and batch external and internal interfaces with financial and other legacy systems, as required.

▶ *Integrate within MCC's Existing Information Technology Infrastructure, Enterprise Architecture requirements and in compliance with Federal Financial and MCC System Security Requirements*: Operate within the MCC technical environment without conflicting with other administrative/program systems or established IT/security standards. The system shall be in compliance with MCC Enterprise Architecture Framework.

▶ *Provide Robust Reporting Capabilities*: Support external, internal, and managerial reporting requirements, including automated production of consolidated financial statements for the Department, and ad hoc and canned query and reporting capabilities. Multi-dimensional reporting capability will be provided for budgetary, proprietary, and managerial accounting.

▶ *Support eAuthentication*: the solution shall support eAuthentication at Level 3 Public Key Infrastructure (PKI) in accordance with MCC Enterprise Architecture Standards. MCC will provide the Level 3 credentials.

▶ *Electronic Document (Invoicing)*: MCC intends to use electronic invoicing services offered by other agencies. The new accounting system must support electronic invoices and technologies used in transmitting invoices, such as Electronic Data Interchange (EDI).

8.2 PROJECTED ATTRIBUTES FOR SOLUTION SCALING

8.2.1 Estimated Number of Total System Users and Concurrent Users

The IFMS/HRIS shall consolidate users from some of the legacy and program systems. It is estimated that the total number of users across the existing systems is approximately 75, based on data collected from system owners and technical managers. Assuming that the user population will remain steady, a comparable number is anticipated for the IFMS/HRIS. Concurrent use is estimated to be about 10 users.

8.2.2 Estimated Transaction Processing Volume

MCC estimates that the total number of transactions currently processed by all the legacy systems is approximately 5,000 per month.

It is estimated that the MCC will experience an increase in transaction volume of 10% from Year 1 onward as new compacts are entered into force. As a result, assuming a comparable level of financial activity, the new financial system will be required to support at least a similar transaction volume plus the estimated increase.

8.2.3 Estimated Database for Migration

MCC has averaged approximately 5,000 transactions per month, or fewer, since initiation of operations in 2004. All data shall be migrated into the new database.

9. IMPLEMENTATION APPROACH

9.1 PERIOD OF PERFORMANCE

The current plan for the IFMS/HRIS investment calls for the deployment of a system over a two year period. It includes approximately one year for design and development and one year for testing and implementation.

▸ **Base Period (Year 1).** The first year of effort for the program, for Service provider purposes, shall be focused on developing transition, instance strategy, and deployment plans. Defining business and technical requirements, configurations, technical architecture, and building interfaces and test environments will also be done in the first year of implementation. The Service provider shall implement the procurement contract writing functionality and complete required system training of staff within 90 days following authorization to commence performance.

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▶ **Base Period (Year 2).** During the second year of the program, the Service provider will finish building interfaces, migrate data, conduct testing, and begin operation of the new IFMS integrated with the contract writing functionality. Training should also be conducted during the second year of the program.

▶ **Option Periods 1-3.** The remaining years would focus on operation and maintenance, including patches and upgrades, as well as Service provider financial management accounting operations.

9.2 PHASED APPROACH

The Offeror shall propose a phased approach based on the above implementation program. The Service provider's phased approach shall demonstrate and incorporate the application of a Systems Development Life Cycle (SDLC). The Service provider shall articulate the association of processes and tasks within the phases of their designated SDLC. MCC's current financial application, ledger systems, and program systems will be maintained until their functions, data, and users are migrated to the IFMS/HRIS.

While MCC envisions a two-year, phased implementation approach, Service providers are encouraged to propose an overall implementation strategy, approach and schedule which will still meet all implementation requirements. Service providers submitting alternative approaches shall identify all dependent and concurrent tasks as part of that alternative implementation approach.

10. PERFORMANCE MANAGEMENT

The Service provider shall establish a performance management approach that verifies and validates that the IFMS/HRIS approach and the system that they are deploying meets MCC's goals and objectives and the OMB FMLoB approach. This performance management approach must include the continued support of business outcomes, operational metrics, and quality management.

10.1 QUALITY ASSURANCE SURVEILLANCE PLAN

The Offeror shall provide a Quality Assurance Surveillance Plan (QASP) that at a minimum supports a quantifiable approach for measuring the success of the IFMS/HRIS program in meeting MCC's goals, objectives and performance requirements. To support the MCC's performance requirements, this approach shall incorporate the requirements of the FEAF PRM and any other OMB FMLoB performance requirements. Once the QASP is approved by MCC, the Service provider shall comply with the plan throughout the life cycle of the contract. The Offeror's QASP shall, at a minimum, incorporate the following baseline metrics:

Exhibit 7. QASP Metrics

Measurement Area	Measurement Grouping	Measurement Indicator	Baseline
Mission and Business Results	Reporting and Information	Percent of quarterly reports delivered within 20 days of quarter end	98% (estimated)
Mission and Business Results	Payments	Percent of IPAC vendor payments received over 90 days and not processed out of the suspense accounts	5% or less by dollar volume.
Mission and Business Results	Payments	Percent of invoices paid by electronic funds transfer	6.32%
Mission and Business Results	Accounting	The difference between MCC's and Treasury's records of the FBWT is in accordance with IFMS/HRIS/MCC guidelines	100%[2]
Mission and Business Results	Payments	Percentage of Invoices paid over 30 days from receipt	Less than 2%
Mission and Business Results	Payments	Amount of interest paid compared to all vendor payments made	$200 per every $1 million disbursed
Mission and Business Results	Collections and Receivables	Percent accounts receivable dollar value over 180 days	10% (subject to annual change)
Mission and Business Results	Collections and Receivables	Percent of aged outstanding debt referred to Treasury in accordance with established Treasury schedules	85.02%
Customer Results	Delivery Time	Percent ad hoc requests fulfilled within 3 business days	97.08%
Processes and activities	Efficiency	Percent of manual transactions per month	95% (estimated)

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[2] Does not include aged data at this time.

Measurement Area	Measurement Grouping	Measurement Indicator	Baseline
Processes and Activities	Compliance	Maintain compliance with Federal regulations and legislation	No instances of material non-compliance with the items listed in 3.1.1 of the Technical Requirements (Section J, Attachment J.2.1, J.2.2 and J.3 in the solicitation and Section 8 of the SOO)
Processes and Activities	Compliance	Notices of findings and recommendations of number of material audit findings	0
Technology	Availability	System available during MCC core operating hours (7AM – 7PM, EST), except during established periods of maintenance	99.58% available
Processes and Activities	Helpdesk	Expected percent of calls answered within the established standards.	98% timely response rate

The Service provider shall define additional metrics, which demonstrate the commitment to project success and demonstrates Service provider knowledge of the risks and responsibilities associated in deploying a program of this scope. The QASP shall align specific tasks, deliverables and milestones in the proposed approach with clearly articulated metrics. Each metric shall have quantifiable performance levels that shall be mutually agreed between the Service provider and MCC.

10.2 SERVICE PROVIDER QUALITY CONTROL PLAN (QCP)

The Offeror shall provide, in conjunction with its QASP, a Quality Control Plan (QCP) that integrates the Service providers Quality Assurance and Quality Reporting processes, and provides for a surveillance mechanism for each metric and a collaborative reporting approach for regular performance reporting. The proposed approach shall provide MCC with complete visibility to the metrics and performance. While performance will be formally reviewed on a regular basis, MCC will have unrestricted self-service access to this performance information.

After contract award, the Service provider shall immediately notify MCC of any problems, issues, or concerns that are identified through cost, schedule and performance analysis and reporting. The Service provider shall provide a mechanism and schedule for MCC and the Service provider to regularly review the business outcome metrics and develop and execute action plans to ensure continuous improvement.

Reviews of business outcomes, operational metrics, and quality management shall be performed regularly. Performance management shall be an iterative process that will evolve as business outcomes, performance metrics, and quality management are updated to align with MCC and IFMS/HRIS goals.

Appendix A. Acronyms and Abbreviations

Acronym/Abbreviation	Description
ACC	Accounting Classification Code
BOC	Budget Object Classification code
BPR	Business Process Reengineering
CBJ	Congressional Budget Justification
CGAC	Common Governmentwide Accounting Classification
CIF	Compact Implementation Funds
COAST	Consolidated Overseas Accountability Support Toolbox
COE	Center of Excellence
COM	Contracts Operations Manual
COOP	Continuity of Operations Plan
COTR	Contracting Officer Technical Representative
COTS	Commercial Off the Shelf
CPS	Common Payment System
DCIA	Debt Collection Improvement Act of 1996
FBWT	Fund Balance with Treasury
FEAF	Federal Enterprise Architecture Framework
FFMIA	The Federal Financial Management Improvement Act
FISMA	Federal Information Security Management Act
FMFIA	Federal Manager's Financial Integrity Act
FMLoB	Financial Management Line of Business
FMPP	MCC Division of Finance Financial Management Policies and Procedures
FMS	U.S. Treasury Financial Management Service
FPPS	Federal Personnel and Payroll System (Operated by NBC)
FRICE	Forms, Reports, Interfaces, Conversions, and Enhancements
FTE	Full-Time Employee (MCC)
FY	Fiscal Year
GAO	Government Accountability Office
GPRA	Government Performance and Results Act
GWA	Governmentwide Accounting system
HRLoB	Human Resources Line of Business
IFMS	Integrated Financial Management System
IPAC	Intra-governmental Payment and Collection
IPT	Integrated Project Team

ITS	International Treasury Service system
MCA	Millennium Challenge Account country (recipient country)
MCC	Millennium Challenge Corporation
MIDAS	MCC Integrated Data and Analysis System
NARA	National Archives and Records Administration
NBC	U.S. Department of Interior's National Business Center
NET	Non-Expenditure Transfer
NFC	U.S. Department of Agriculture's National Finance Center
NIST	National Institute of Standards and Technology
OIG	Office of Inspector General
OECD	Organization for Economic Co-operation and Development
OFFM	Office of Federal Financial Management
OMB	Office of Management and Budget
PAR	Performance and Accountability Report
PCS	Permanent Change of Station
PM	Project Manager
PMBoK	Project Management Book of Knowledge
PMO	Performance Management Office
POC	Point of Contact
PSC	Personal Services Service provider
PRM	Performance Reference Model
QFR	Quarterly Financial Report
RFP	Request for Proposal
ROD	Reports of Discrepancy
SDLC	System Development Life Cycle
SFFAS	Statement of Federal Financial Accounting Standards
SOO	Statement of Objectives
SPS	Secure Payment System
SSC	Shared Service Center
SSP	Shared Services Provider
STAR	System for Time and Attendance Reporting (Operated by NFC)
TFM	Treasury Financial Manual
USAID	U.S. Agency for International Development

Appendix B. MCC-Specific Glossary

609(g) Funds – Budgetary resources used to fund contracts or grants for any eligible country for the purpose of facilitating the development and implementation of the Compact between the United States and the recipient country.

Accountable Entity – An organization or entity within an MCA country that is responsible for development and implementation of a Compact and a 609(g) Agreement. In the period prior to the compact signing, the accountable entity is typically a unit within a recipient country's government (also referred to as the Country Counterpart within this document). After the compact signing, an accountable entity's official name is determined, for example, MCA-Country, Millennium Challenge Country or other name.

Advance – Cash outlays made by a federal entity to its employees, service providers, grantees, or others to cover a part or all of the recipients' anticipated expenses or as advance payments for the cost of goods and services the entity acquires. Examples include cash or other assets disbursed under a contract, grant, or cooperative agreement before services or goods are provided by the service provider or grantee.

Agency Locator Code (ALC) – Unique numeric symbol assigned by the Treasury Financial Management Service (FMS) used for reporting purposes.

Apportionment – An action by which OMB distributes, or divides, amounts available to MCC for obligation (from its appropriation) for its Administration (category a), and Programs (category b). The apportioned amounts limit the obligations MCC may incur.

Apportionment and Reapportionment Schedule, Standard Form 132 (SF-132) – Standard form used by federal agencies to prepare and submit apportionment requests to OMB.

Appropriation – An annual provision of law authorizing the expenditure of funds by MCC for a given purpose. MCC's appropriations are "no year" appropriations and are available until expended.

Bank Routing Method – The specific method used to route funds to the ultimate beneficiary of a payment. Examples of routing methods are SWIFT, Chaps, CHIPS, and BSB code.

Clearance Matrix – Internal MCC document designating the departments and divisions within MCC that must give clearance prior to MCC approving certain documents and/or events related to a Compact.

Commitment – Funds identified by MCC that are available in an apportionment, but prior to and in anticipation of, an obligation. Commitments are administrative reservations of funds and not based on legally binding transactions or documents.

Common Payment System (CPS) – The overarching system that has been developed to make compact payments to US Banks and Non-US Banks.

Compact Funds – Financial resources or grants that fund a multi-year plan for achieving shared development objectives between the U.S. government and an eligible MCA country.

Compact Implementation Funding (CIF) – As authorized under section 609(g) of the Millennium Challenge Act of 2003, a portion of compact funds to facilitate the implementation of a Compact, particularly in the time period between signing a Compact and its Entry into Force.

Compact/609(g) worksheet – A financial spreadsheet prepared by the ACFO indicating the commitment or obligation of funds based on an executed Compact or 609(g) Agreement. On the basis of this spreadsheet, the FSP records commitments or obligations in the core financial system, as appropriate.

Congressional Notification (CN) – Statutory requirements under which MCC must inform Congress of program or operational activities; pursuant to appropriations law, MCC provides notification prior to obligation of compact or 609(g) funds. In addition, Section 610(a) of the Millennium Challenge Act of 2003, states that MCC shall provide notification of each Compact to appropriate congressional committees, including a detailed summary of the Compact and a copy of the text of the Compact.

Custodial Account – A pass-through account for interest accrued on the monies held in each 609(g) or compact permitted account. The FSP disburses funds monthly for select 609(g) Agreements and Compacts to cover projected needs, over a forthcoming three-month period. Such funds provided to the countries are required to be deposited in interest-bearing, U.S. dollar-denominated permitted accounts, if legally feasible, until re-disbursed. The interest earned on these accounts is remitted to a custodial account that is administered by the FSP in order to be deposited into a U.S. Treasury account. Interest may not be retained or used by MCC, but periodically is returned to the Treasury's general funds.

De-obligation – A cancellation or downward adjustment of previously incurred obligations from a completed obligating instrument (contract, purchase order, IAA, grant etc.) and restoring those funds to apportionments or allowances (i.e., funds available for obligation). This process is typically done upon completion of activities when unspent ("un-liquidated") obligations may no longer be needed for the original purpose.

Disbursements – Payments made using cash, checks, or electronic transfers from the FSP to the Permitted Account and Fiscal Agent. Disbursements of funds prior to receiving goods and services are defined as advances to others. Also see Re-disbursements.

Disbursement Request – A financial schedule outlining requested funds for the next quarter.

Entry into Force – Commencement of compact implementation once satisfaction of certain conditions necessary to the Compact is accomplished by the MCA country and accepted by MCC.

Expenditure – The sum total of accruals and re-disbursements for all goods and services received.

Expense Accruals – Expenses that meet the appropriate recognition criteria of the fund type involved but have not been paid. Accrued expenses are expected to be paid in a subsequent accounting period. Charges incurred by the MCC during a given period requiring the provision of funds for (1) goods and other tangible property received; (2) services performed by employees, service providers, and other

payees; and (3) other amounts becoming owed under programs for which no current services or performance is required.

External Vendors, Employees and Other Recipients – Vendors, employees and any other recipients that provide goods and services to an MCA country, per 609(g) Agreement or Compact.

Fiscal Agent – The entity contracted by the Accountable Entity responsible for certain aspects of fiscal accountability (e.g., funds control).

Grant – For the purposes of these policies and procedures, a grant is defined as funds available to an MCA country based on the following obligating documents signed by MCC and an Accountable Entity: (i) a Compact entered into under the authority of section 605 of the Millennium Challenge Act of 2003 and its supplemental documents, and/or (ii) a 609(g) Agreement under section 609(g) of the Act and its supplemental documents.

International Bank Account Number (IBAN) – Used internationally to uniquely identify a customer's European bank account. The purpose of its use is to identify a customer account with a financial institution, to assist with error-free cross-border payments, and to improve the potential for straight through processing.

International Treasury Services (ITS) – ITS enables Federal agencies to issue foreign currency payments via direct deposit, wire transfer, or draft to recipients in over 150 countries. Additionally, ITS enables agencies to issue international US Dollar wire transfer payments without a corresponding U.S. financial institution.

Implementing Entity – A Government Affiliate to which the Accountable Entity may provide MCC funding, directly or indirectly, through a Project Manager, to implement and carry out the projects or any other activities to be carried out in furtherance of the Compact or 609(g) Agreement.

Obligation – A binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally. The obligation is reduced as payments ("liquidations") are made.

Permitted Account(s) – The interest-bearing dollar-denominated account (if applicable) and local currency-denominated account (Local Account), established at a MCC approved bank in the recipient country and administered by the Fiscal Agent on behalf of the accountable entity. The financial service provider advances funds to the Local Account, or another Permitted Account as agreed by MCC, via a Non-US Bank Payment Form with the Recipient Name denoted as Accountable Entity-Country (Local Account). Payments made from this account are reported back to MCC and the FSP via the Quarterly Financial Report (QFR).

Procurement Agent – The entity contracted by the Accountable Entity responsible for certain aspects of administering the procurement process in adherence to the MCA procurement guidelines.

Project – A specific project, policy reforms, and other activities that the MCA country carries out to achieve the 609(g) objectives and activities.

Quarterly Financial Report (QFR) – The QFR is prepared by the MCC Transaction Team or Accountable Entity team (with input from the Fiscal Agent) for regular financial reporting. It is used for MCC financial records as well as transparency and funds control purposes; requesting reallocation of funding the Multi-year Financial Plan; establishing spending limits; and explaining and justifying proposed cash disbursement requests. The QFR contains 1) the Multi-Year Financial Plan Adjustment Request Form, 2) Summary of Multi-year Financial Plan Adjustments to Date, 3) Actual Expenditure & Commitment Report (current period), 4) Commitment Forecast Report (next period), 5) Forecasted Program Cash Requirements (next period), and 6) Cash Reconciliation and Interest Summary.

Re-disbursements – A payment by the Fiscal Agent of compact or 609(g) funds from the permitted account to the Accountable Entity's external vendors, employees and other recipients in the MCA country, once services are provided, goods received and works are rendered. At the end of each quarter, the Accountable Entity includes information on re-disbursement amounts into a QFR so that the financial service provider can liquidate the previously recorded advance in the core financial system.

Secure Payment System (SPS) – This system is comprised of two parts: (a) an application that allows the financial service provider to input summary payment information which is then certified by a Certifying Officer, and (b) a portal to allow detailed payment information to transfer from Core financial system to FMS.

Society for Worldwide Interbank Financial Telecommunication (SWIFT) – A network that processes and transmits financial messages among members and other users in 137 countries. Swift codes will be utilized to process the Non-US Bank Payments.

Threshold Program – Program designed to assist countries on the "threshold," meaning they have not yet qualified for MCC compact funding, but have demonstrated a significant commitment to improving their performance on the eligibility criteria for MCC compact funding. USAID, working with MCC, is currently the primary, but not the sole, agency overseeing the implementation and management of the Threshold program.

Transaction Team – A multi-disciplinary group consisting of relevant MCC staff and technical experts that are assigned to each eligible country to assist in the development, and later the implementation, of a Compact and 609(g) Agreement.