

SCHEDULE

1. **General:** Proposals are solicited to establish a firm fixed price contract for Direct Deposit services for U.S. Dollar Payroll for the Army and Air Force Exchange Service (Exchange) as defined in the solicitation. This Schedule and attached exhibits contain details of the services required, contents of the proposal to be submitted, and the basis for contract award. The contractor shall produce and perform requirements as stated in Exhibit C, Scope of Work.
2. **Contract Period:** The contract will be for five (5) base years with five (5) one (1) year option periods awarded in single or multiple increments, with performance starting on **12 July 2013** or the date of contract award, whichever is later unless sooner terminated according the contract General Provisions. Contract options will be exercised at the Exchange's sole discretion based on contractor's contract performance being satisfactory or better and the Exchange's determination of continued need.
3. **Option to Extend – Incentives:** Contract option will be based on contractor's contract performance as defined by Paragraph 15, Contractor Scorecard. The Exchange may unilaterally extend the term of this contract as its sole discretion. Contractor will receive written notification a minimum of thirty (30) days before the contract expires, advising the contractor of the Exchange's intent to extend the term of the contract into the next option period.
4. **Evaluation for Award of Contract:** One (1) contract will be awarded to the responsible offeror whose offer conforms to the solicitation and is the most advantageous to the Exchange. Proposals will be evaluated for responsiveness, competitiveness, and responsibility. Contract award will be determined based on technical merit and cost. Technical merit is more important than cost in determining the award. As technical merit becomes more equal, price may become the determining factor. The offeror is therefore encouraged to offer the Exchange a sound technical proposal supported by competitive pricing.
5. **Evaluation Criteria:** Proposals will be evaluated in three (3) parts:
 - a. **Minimum qualification requirements:** Offerors must pass the criteria in Exhibit D, Minimum Qualification Requirements in order to move on to the cost and technical evaluations. Offerors who do not meet the minimum qualification requirements will be deemed non-responsible and will not be considered for award.
 - b. **Financial (price) evaluation:** Price analysis will be performed by the Contracting Officer for fees submitted for Exhibit E, Fee Schedule. The purpose of the price evaluation is to provide an assessment of the reasonableness of the proposal.
 - c. **Technical evaluation:** The technical evaluation is based on six (6) evaluations factors as per Exhibit F, Technical Criteria, ranging from most important (Factor 1) to least important (Factor 6). Each factor may include one or more sub-factors. The technical evaluation of the proposals will be evaluated by a Source Selection Committee consisting of subject matter experts. The technical factors listed below in descending order of importance:

SCHEDULE

1. Technical Expertise
2. Technical Approach
3. Customer Service/Support
4. Security
5. Experience
6. Organization and Personnel

6. **Oral Presentation/Demonstration:** The Exchange intends to evaluate proposals and award a contract without discussions with the offerors (except clarifications). Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint. If award cannot be determined on the basis of initial offers, competitive ranges will be established among offerors. The Exchange will open discussions with all offerors in the competitive range. If oral presentations are conducted they will be included as part of the evaluation. Offerors will be notified by The Exchange to arrange for their oral presentation and further instructions will be provided at that time, as applicable.
7. **Award:** The contract will be awarded in accordance with Acceptance and Award paragraph, Instructions to Offerors and Conditions of Proposals/Awards, Exchange Form 4450-002, Solicitation/Proposal/Award. The responsive, responsible offeror offering the best value to the Exchange will be awarded the contract.
8. **Proprietary Information:** The contractor assures all information obtained from the Exchange will be used only for business with the Exchange and will not be shared with the Exchange or its competitors or used internally to compete with the Exchange. All information submitted by offerors will be treated as confidentially by the Exchange.
9. **Prices:** As shown in Exhibit E, Fee Schedule.
10. **Price Adjustments:**
 - a. The contractor shall notify the Contracting Officer in writing, at least *90 days* in advance, of any proposed price increase or proposed changes of any nature to the contract. A price increase request must be accompanied by supporting documentation. Documentation, to include but is not limited to: (1) the manufacturer's price list on which the proposed increase is requested, and (2) copies of invoices identifying costs at the time of contract award and copies of invoices identifying unforeseeable increased costs at the time of the requested increase. The supporting documentation must be sufficient to provide for comparative analysis of the relationship of the above increased costs to the contractor's total costs.
 - b. The Contracting Officer reserves the right to reject contractor requests for price increases. In the event of rejection, either party may terminate the contract without liability according to the Termination clause, Exhibit A, General Provisions.

SCHEDULE

- c. Price adjustments shall not be effective until authorized by a bilateral contract amendment.

11. Contracting Officer Representative:

- a. After contract award, the Exchange Contracting Officer will designate a Contracting Officer's Representative (COR) as the contractor's day-to-day point of contact for contract performance. The duties of the COR cannot be re-delegated. The COR does not have the authority to alter or otherwise effect the terms and conditions of this contract. Authority to bind Exchange resides only with the Exchange Contracting Officer and is addressed in Exhibit A, General Provisions.
- b. Purchasing authority only resides with those individuals duly appointed as a Contracting Officer. Only those individuals delegated this authority are authorized to execute contracts and amendments that commit Exchange funds. The Exchange associate who is not specifically delegated authority creates an unauthorized procurement action when he or she agrees to buy goods or services or commits Exchange Funds. The same is true when a duly appointed individual exceeds his or her delegated authority.
- c. An unauthorized purchase or contract is a personal commitment between an associate and the contractor, unless Exchange ratifies the purchase or contract. Exchange is not financially, contractually or legally obligated to ratify the unauthorized action.
- d. If the contractor receives direction from an Exchange associate other than the Contracting Officer to take some action or deliver goods or services not specifically funded or authorized within the terms of the contract, the contractor should contact the Contracting Officer for specific direction.

12. Insurance:

- a. Contractor will maintain in full force and effect during the period of the contract at least the insurance coverage set out in Exhibit G, Insurance Requirements of this contract.
- b. Contractor will be liable for damage, loss, or injury to property or persons resulting from acts or omissions of contractor, its workers, subcontractors or agents, whether or not covered by required insurance.

13. Contracting Authority:

- a. The Exchange is a federal instrumentality that must follow procurement policies and procedures set forth in law and Department of Defense regulations. These policies delegate purchasing authority to duly appointed individuals as a contracting officer or ordering agent. Only those individuals delegated this authority are authorized to execute contracts and amendments that commit the Exchange's funds. The Exchange associate who is not

SCHEDULE

specifically delegated authority creates an unauthorized procurement action when he or she agrees to buy goods or services or commits the Exchange's funds. The same is true when a duly appointed individual exceeds his or her delegated authority.

- b. An unauthorized purchase or contract is a personal commitment between an associate and the vendor, unless the Exchange ratifies the purchase or contract. This means that the Exchange is not financially, contractually or legally obligated to ratify the unauthorized action. It is in our mutual best interest to prevent any such unfortunate incidents.
 - c. The Exchange wishes to maintain a good working relationship with all of its contractors. Sometimes in the interest of getting things done you may be asked by an Exchange associate to take some action or deliver goods that is not specifically funded or authorized within the terms of the contract. Whenever this occurs you should contact your COR (as described in Para. 10 above) for specific direction to ensure funds are available, and that, it is an authorized procurement action.
14. **Confidentiality and Non-Disclosure Agreement:** Contractor and the Exchange acknowledge that in the course of this agreement contractor may be supplied with business and customer information considered confidential or proprietary. Contractor agrees to maintain the confidentiality of such information and to treat such information with the same degree of care and security as it treats its own information of like importance. Contractor agrees not to disclose such information to any party who does not have a demonstrable need to know in direct connection with their activities in performance of this contract unless required by law or court order. Offerors are required to complete Exhibit I, Confidentiality and Non-Disclosure Agreement and return a copy, signed "for the Company" (not individual workers) along with this agreement.
15. **Contractor Scorecard:** To maintain competent and dependable contractors, Exchange contracting officers and the on-site Exchange personnel involved with the program will evaluate how well our contractors have performed. The standard contract administration will occur along with the use of the scorecard. A score of 56 to 80 denotes that the contractor is meeting the minimum contract performance standards (see Exhibit J). A score of less than 56 denote contractor is not meeting minimum contract standards. Letters of concerns, warnings and cure letters will be handled for contract deficiencies. These ratings will be sent quarterly to the Contracting Officer Representative (COR) or designated representative and the completed copy will be provided to the contractor.
16. **Risk of Loss:** Contractor will be liable for any loss or damage to Exchange-owned property, including expenses incidental to any loss or damage, which results from misconduct, omission or negligence on the part of the contractor or contractor's workers, subcontractors or agents.
17. **Estimated Quantities:** This contract does not constitute an outright purchase of, nor commits the Exchange to, the estimated quantities shown in Exhibit E, Fee Schedule. In the event that requirements for the items described herein do not materialize in the quantities specified as

SCHEDULE

estimated, such instance will not constitute grounds for any adjustment. The Exchange is obligated to purchase only those items and quantities actually ordered, received, and accepted.

18. **Non-exclusive Contract:** Similar contracts may be made with other contractors for the same items with multiple quotations obtained and awarded based on price and availability. This contract is not to be construed as an exclusive contract for Exchange requirements.
19. **Technical Skills:** The contractor will provide, for the term of the contract, qualified individuals, skilled in areas contained in Exhibit C, Scope of Work, to support efforts covered by this contract.
20. **Use of Contract by other Federal Entities (May 12):**
 - a. Federal Statute and Department of Defense (DoD) Procurement Policy encourage DoD Non-appropriated Fund Instrumentalities (NAFIs) to enter into contracts or other agreements with other Federal Government entities, where it is advantageous to do so. It is solely within the discretion of each entity to decide whether or not to participate.
 - b. This is a Non-appropriated Fund (NAF) Contract.
 - c. The prices, costs, rates, commissions/fees, terms and conditions and any other contract provision are non-negotiable absent modification, change or amendment by an authorized contracting officer of the NAFI that issued this Contract.
 - d. Any dispute and/or claim shall be submitted to the NAF contracting office that issued this Contract for any required adjudication. Any issue between an ordering entity (other than the NAFI that issued this Contract) and the Contractor, which cannot be resolved without formal action by the Contracting Officer (e.g., delivery/task order, modification, final decision letter, termination action, etc.) will be referred to the Contracting Officer of the NAFI that issued this Contract for action. Any issue that appears to require formal contract action, and/or that is a potential dispute or claim will be brought to the attention of the Contracting Officer of the NAFI that issued this Contract.
 - e. The Contractor shall perform the Contract requirements in accordance with this Contract regardless of which entity places an order against this Contract. The terms and conditions of this Contract shall apply to all performance under this Contract, without regard to ordering entity, delivery or performance site, location or facility.
 - f. If the Contractor cannot fulfill a delivery/task order, regardless of reason, the Contractor shall immediately advise the ordering entity. Generally, such notice shall be provided within one (1) business day of the date and time the Contractor is aware (or should have been aware) that the order could not be fulfilled.
 - g. The sites, locations, or facilities identified herein as being required in this Contract are not all inclusive of the number of sites, locations, or facilities that may be added in the future; however, this Contract does not create a right of first refusal and does not require, guarantee, or imply the addition of any sites, locations, or facilities to this

SCHEDULE

Contract. Additional sites, locations, or facilities identified in a delivery/task order that are not listed in the Contract, will be added to the Contract by Contract Modification by an authorized Contracting Officer of the NAFI that issued this Contract.

- h. No additional quantities are guaranteed or implied as a result of this clause.
- i. Other Federal entities authorized to place delivery/task orders against this contract include:
 - 1. IMCOM G9 Family and MWR Programs,
 - 2. Air Force Non-appropriated Fund Purchasing Office (AFNAFPO),
 - 3. U. S. Marine Corps Personal and Family Readiness Division (MR) and Marine Corps Community Services (MCCS),
 - 4. Navy Exchange Command (NEXCOM) and Navy Exchange System (NES),
 - 5. Commander, Navy Installations Command (CNIC), Fleet and Family Readiness (F&FR)
 - 6. Coast Guard Exchange System (CGES); and
 - 7. Other Federal activities not specifically named in this Contract.
- j. More favorable prices, costs, rates, commissions, fees, terms and conditions than reflected in this Contract may be offered by the Contractor to the various ordering entities and/or negotiated by the ordering entities based upon economic factors that support such mutually agreed to arrangements, provided that:
 - 1. any such agreement is made in writing; and
 - 2. a complete copy of any such agreement is given to the Contracting Officer of the NAFI that issued the Contract, prior to performance.
- k. The NAFI that issued this Contract is not responsible or liable for payment related to delivery/task orders issued by another entity. The entity that issues a delivery/task order is solely responsible for payment in accordance with applicable Federal laws. Each delivery/task order issued will include:
 - 1. Contract number against which order is placed;
 - 2. Location where delivery/performance will take place and required delivery / performance date(s);
 - 3. Complete contact information for both the ordering entity and any other point of contact that the Contractor may need to complete the order;
 - 4. Invoicing and payment instructions and/or procedures for remitting commission/license fee payments to the ordering entity.
- l. On a quarterly basis (15 Jan, 15 Apr, 15 Jul, 15 Oct), unless a different reporting requirement is specified elsewhere in this Contract, the Contractor shall provide the Contracting Officer with a written report recapping all expenditures by item or service including a total for all entities that have placed orders during the preceding quarter. The report will include a quarterly recap that the Contractor will send to the specified POC, for each entity that participated in or that placed orders against this contract.

21. Exchange' Oracle Advanced Procurement Application (OAPA)

SCHEDULE

- a. Unless another clause within this contract states otherwise, most non-retail Exchange orders and agreements will be issued, received and processed through the OAPA. All Exchange suppliers are able to use this application at no charge. Access to this application requires a standard personal computer, an internet connection, and an invitation to register for iSupplier. Since we have instituted OAPA, we need our suppliers to use this system to make the process work to its capability. Our non-retail product and service suppliers will use this application to receive purchase orders, agreements, respond to Exchange Contracting Officer Requests for Information (RFI), Requests for Quotation (RFQ), Auctions and to communicate with Exchange Contracting Officers.
- b. Suppliers will use the iSupplier module to submit change requests and to input advanced shipping notices (ASNs) so that Exchange personnel can monitor the progress of these orders.
- c. You may contact the PZ Help Desk for more information at CPsupport@aafes.com or speak to your Exchange Contracting Officer.

22. Invoicing and Payment: Invoicing instructions: Questions concerning invoicing and payment should be directed to the Accounts Payable Office. Invoice status can be viewed at: Partners.aafes.com/vendor/. If internet access is not available, fax your inquiry to (214-465-2900) or email to apinvoices@aafes.com. To prevent fraud and reporting discrepancies to the IRS, the Exchange requires the W-9 form (included in solicitation/contract). This should be sent prior to activating/establishing a vendor code within the Exchange Account Payable System. Please ensure the vendor's name and address appears on the W-9 as filed with the IRS. Accounts Payable will verify/validate the information on the IRS website. Any discrepancy will be returned to the vendor for correction.

- a. In order to be considered proper invoices for purposes of the Prompt Payment Act, invoices must be submitted as follows:
 1. Contractor must prepare a separate numbered invoice monthly. **DO NOT CONSOLIDATE BILLING FOR MORE THAN ONE ORDER ON ONE INVOICE.** Do not duplicate an invoice number used in prior billings.
 2. Except as specially set out in the contract, invoice(s) must be submitted in original copy to the Exchange address:

Exchange
ATTN: Accounts Payable
P.O. Box 66202
Dallas, TX 75266-0202

- b. Invoices must be issued by the company whose name is on the contract/order (unless otherwise authorized by Contracting Officer) and must contain the following minimum information to enable timely payment:

SCHEDULE

1. Name of contractor
 2. Invoice date: This cannot be a date prior to completion of service(s) required by the contract or purchase/delivery order. In the event that the invoice date is a date prior to completion of the service(s) required, the Exchange retains the right either to return the improper invoice to the contractor for correction or to change the invoice date to be the date after completion of the required service(s). In the event that an invoice is returned to a contractor because it is improper because the date on the invoice is prior to completion of required service(s) or because the invoice is improper for any other reason, the invoice date, for purpose of prompt payment discounts, will be considered to be the date of receipt of the corrected, proper invoice.
 3. Contract number and/or delivery order
 4. Service description and date(s) of service
 5. Contract services line item cost and total
 6. Prompt payment discounts, and special allowances must be shown on the invoice using percentage figures only. **DO NOT DEDUCT ANY OF THESE FROM THE SERVICE COST OR FROM THE INVOICE TOTAL.**
 7. Name, title and phone number of contractor's contact person
 8. Complete "remit to" mailing address on the invoice to indicate where contractor's payment is to be sent. The address must be the same address as on the contract unless changed in accordance with paragraph (18.k.) below.
- c. Correcting invoices and credit memos must be marked as such and must cross- reference the corrected invoice number and period.
- d. A proper invoice is an invoice which contains all of the information/documentation specified in Paragraph 18.b. above, and is sent to the address specified in the contract or purchase/delivery order for the designated Exchange paying office. Improper invoices may be returned without payment to the contractor.
- e. Improper invoices may be returned without payment to the contractor.
- f. The net payment date for Exchange contracts is established at 30 days after receipt of a proper invoice. Discounts for prompt payment, if included in the contract, will be applied as follows:
1. If the contract or purchase/delivery order specifies a prompt payment discount period of less than 30 days, the discount will be taken if payment can be made within the stated period otherwise, the net payment will be due 30 days after receipt of a proper invoice.
 2. If the contract or purchase/delivery order specifies a prompt payment discount period of 30 days or more, the discount will be taken if the payment can be made within the stated period otherwise, the net payment will be due 30 days after the prompt payment discount period ends.
 3. If the contract fails to specify any prompt payment discount, then the net payment will be due 30 days after receipt of a proper invoice.

SCHEDULE

- g. An invoice is considered to be received on the later of the following dates: EITHER the date a proper invoice is actually received by the designated Exchange receiving office if the Exchange annotates the invoice with the date of receipt at the time of receipt OR the date of the invoice if the designated Exchange receiving office receives a proper invoice but fails to annotate the invoice with the date of receipt at the time of receipt.
- h. In the event that a prompt payment discount, or other special discounts or allowances specified on the contractor's invoice are better than that specified in the contract or purchase order, the Exchange may take the more favorable discounts and/or allowances.
- i. For the purpose of determining whether payment is timely made by the Exchange, a "day" is counted for each calendar day. When payments fall due on Saturday, Sunday or legal holidays, payments made the following business day will not incur late payment interest penalties.
- j. A discount for prompt payment can be taken by the Exchange if the discounted payment is made within the discount period specified. The prompt payment discount period begins on the date of the invoice. Computation of the period for prompt payment discount begins with the date of the invoice; computation for net payment begins with the receipt of a proper invoice.
- k. Payment is made:
 - 1. The date a check for payment is dated.
 - 2. The date an electronic fund transfer is received, regardless of the date the financial institution posts the transfer.
 - 3. The date a withholding authorized by the contract is initiated by the Exchange.
- l. When payment is made by electronic transfer of funds to the address/account designated by contractor.
- m. If a contractor wishes to change the address (e.g., street, P.O. Box, city/state) to which payment should be sent or wishes its payments to also reflect a Financial institution or factor's name and be sent to the financial institution or factor's address the request must be in writing, signed by a responsible official of the contractor, and submitted to the Contracting Officer. All such requests must clearly establish which division or subsidiary of a corporation such changes apply to and the address which is superseded by the changes. These changes will become effective on the date determined by the Exchange, normally 30 days after approval. Changes will be done on an accommodation basis only, with the understanding that no legal obligation is imposed on the Exchange for failure to make payment to the new payee/address.
- n. Any request by the contractor to change the name shown on the contract or to delegate its obligation under the contract must be sent to the Contracting Officer.

SCHEDULE

- o. Any questions or inquiries concerning invoice payments should be directed to the Exchange paying office designated on the contract or purchase/delivery order. The Exchange does not maintain separate ledger balances for each contractor. Consequently, any inquiry concerning unpaid invoices or other payment discrepancies must include the following data:

Unpaid Invoice:

Exchange Contract No
Invoice No.
Date of Invoice
Invoice Amount
Date of Service

Other Payment Discrepancies:

Exchange Contract No
Invoice No.
Exchange Charge/Credit Voucher No.
Exchange Check No.

- p. Any interest penalties due to contractors will be computed in accordance with the Prompt Payment Act, 31 U.S.C. §§ 3901-3906, as amended.

////////////////////////////////////LAST ITEM////////////////////////////////////