



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON D.C. 20503

SEP 20 1996

MEMORANDUM FOR FEDERAL PROCUREMENT EXECUTIVES
MEMBERS OF THE CHIEF FINANCIAL OFFICERS COUNCIL
MEMBERS OF THE SMALL AGENCY COUNCIL

FROM : John A. Koskinen *John A. Koskinen*
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Commissioner
Federal Telecommunications Service, GSA

SUBJECT : Surcharge for Use of the FMSS Schedule program

The purpose of this memorandum is to advise your organization about changes that will affect orders issued in the future against the Financial Management Systems Software Multiple Award Schedule (FMSS) Schedule) contracts maintained by the General Services Administration (GSA) .

Office of Management and Budget (OMB) Circular A-127, "Financial Management Systems, " says "agencies replacing software to meet core financial system requirements must use 'off-the-shelf ' software from the GSA FMSS Multiple Award Schedule unless a waiver is granted. " In addition to core financial systems software, the FMSS Schedule also provides for such related items as technical support services, training, documentation, and maintenance. Most of the vendors also offer optional software modules, such as property accounting or procurement, to be used with their core financial system software.

Since the inception of the FMSS Schedule program, GSA has maintained the FMSS Schedule contracts at no cost to the activities using them. However, as a result of organizational and budgetary changes within GSA, ,starting in Fiscal year 1997, GSA needs to recoup its costs of operating this program. Accordingly, effective October 1, 1996, GSA will apply a surcharge to users of the FMSS Schedule to cover GSA'S costs of establishing and administering the FMSS Schedule contracts.

For orders issued on or after October 1, 1996, your agency will be required to provide a fee (surcharge) to GSA of one percent (1%) of the total dollar **value** of each delivery/task order issued under the FMSS Schedule program. This surcharge will be reviewed periodically and adjusted as necessary to cover GSA'S cost of maintaining this program.

Please ensure that the appropriate contracting offices in your agency are advised of this change to the FMSS Schedule program. A signed Basic Agreement (see attached), including funding documentation, must be received by GSA before a delivery order is issued against a FMSS Schedule contract.

Kathy Wood, the GSA Contracting Officer for the FMSS Schedule, should be contacted on (202) 501-4963 when your agency starts planning to acquire core financial systems software. GSA can provide information on the contracting process and the surcharge procedures. In addition, GSA is also planning to offer, on a fee-for-service basis, contracting support to agencies which desire additional help in selecting and ordering software using the FMSS Schedule contracts.

If you have any questions about the FMSS Schedule program or these revised procedures, please call Kathy Wood at GSA on (202) 501-4963.

Attachment

General Services Administration (GSA)
Financial Management Systems Software Schedule (FMSS)
Basic Agreement

Client: Agency
Agreement ID: 99999XXX
Agreement Title: Title

1. Terms and Conditions

1.1 Introduction

This document constitutes the Basic Agreement (BA) portion of an overall agreement between GSA and the client, for a client agency using GSA's Financial Management Systems Software contracts.

The parties acknowledge that:

- FMSS is the GSA Contracting Program to be utilized by the client agency for core financial systems.

Under the authority of OMB Circular A-127, all departments and agencies in the executive branch of the Federal Government are required to use the FMSS schedule as a mandatory source for the acquisition of commercial software for core financial systems and for the acquisition of services/support related to the implementation of such software packages.

- **That** GSA is required to collect money for establishing, and administering the base FMSS schedule contracts.
- . This agreement defines the general terms and conditions under which the work is to be performed.
- . This agreement sets forth the procedures by which the client will be billed.

1.2 Agreement Charges

A surcharge of 1% will apply to the award value of all delivery/task orders awarded as a result of the client agency's use of the FMSS Program. The client agency will submit a Letter of Interest to the prospective FMSS contractors which will be the basis for award of any delivery/task orders. A basic agreement will be established for each Letter of Interest issued under the FMSS program.

A Funding document which has obligated the client agency to pay the GSA surcharge must be sent to GSA prior to the issuance of each delivery/task order. The finding document must reference the Basic Agreement number.

1.2.1 Billing Procedure

GSA's standard billing procedure is to submit a monthly billing request to the GSA Office of Finance. The billing request will be computed at the rates in effect at the time for the services and products rendered.

The Client agency will be billed upon receipt of each delivery/task order for the entire amount of the surcharge associated with such delivery/task order.

The Accounts Receivable Branch of the GSA Office of Finance will bill the client. These billings must be paid promptly as rendered, without pre-audit or receipt verification (FPMR 101-2. 105). Any discrepancies noted after payment will be adjusted on subsequent billings.

2. Agreement Specifications

2.1 Billing Address

The Client Agency Billing Address for this agreement is :

Address; _____

Phone No.: _____

The FMSS financial point of contact for this agreement is:

Financial Point of Contact: GSA - KRXF

Address: 5203 Leesburg Pike, Suite 1100
Falls Church, VA 22041

Telephone Number: (703) 756-6156

2.2 Estimated Costs

The total cost for the FMSS requirement under this BA is estimated to be \$ _____

The client authorizes GSA to charge up to \$ _____ to the following finding classification(s):

Department of Treasury On-Line Payment and Collection System - Agency Location Code (ALC): ALC (Non-DOD Clients Only) _____

Funding Document No. _____

2.3 Points-of-Contact

The GSA contact responsible for the administration of this BA and for resolving all questions related to it is:

Agreement Administrator: Katherine W. Wood

Mailing Address: General Services Administration
Procurement Services Center
18th & F Sts., NW
Room G-219
Washington, DC 20405

Telephone No: (202) 501-4963

The individual below will be the client's point-of-contact for this BA:

Client's Point-of-Contact: _____

Mailing Address: _____

Telephone No: _____

The client's financial accounting point-of-contact who be responsible for resolving any financial question that may arise is:

<u>Name</u>	<u>Organization/ Office Symbol</u>	<u>Phone</u>
_____	_____	_____
_____	_____	_____

Approved:

**For The
Procurement Services Center**

**For The
Agency**

name of director
Director, name of division

name of signing client
title

Date: _____

Date: _____