

### ROUTING AND RECORD SHEET

**SUBJECT:** (Optional)

Funding for Agency Day Care Centers



STAT  
STAT

FROM:   
Chief, DA/Management Staff  
6E22 OHB

EXTENSION

NO.

DDA 89-1929

DATE

24 October 1989

**TO:** (Officer designation, room number, and building)

**DATE**

**OFFICER'S INITIALS**

**COMMENTS** (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

1. Chief, Administrative Group  
O/Comptroller

2. 7C21 OHB

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**DD/A REGISTRY**  
**FILE:** Bldg-10-AR  
\* Bud-2-AR

COMPT 89-1746

DDA 89-1929  
24 October 1989

MEMORANDUM: Comptroller

ATTENTION: Chief, Administrative Group

FROM:   
Chief, DA/Management Staff

SUBJECT: Funding for Agency Day Care Centers

1. The Agency is in the process of completing arrangements with the U.S. Geological Survey (USGS) for participation in a Federal/Consortium sponsored child care center in the Reston area. We expect to receive 25 of the approximately 100 spaces currently being planned. Attachment A contains a copy of the draft agreement for this facility. Our share of the costs is anticipated to be \$120,000 per year plus an initial non-recurring start-up cost of \$50,000.

2. As you are aware, the Agency's Day Care Center on the Headquarters compound is self-sustaining except for a \$75,000 per year supplement for extra security costs. The Executive Director approved Agency funding for both the  security supplement and the annual \$120,000 Reston operating costs on 24 February 1989 (see Attachment B). The DA will absorb the \$50,000 start-up costs at Reston.

3. It is requested that the Comptroller provide the DA with \$195,000 in 1990 to fund both Headquarters and Reston Day Care Center activities. It is also requested that the financial guidance for the FY 1991 Congressional Budget be adjusted to reflect the annual costs for these activities.

4. If you have any questions, please contact  on extension

Attachment: A/S

ORIG: C/DA/MS  (24 Oct 89)

APPR

Distribution:

Orig - Addressee  
2 - DDA Registry (w/atts)

1 - MS Subject ( " )

1 - MS Chrono (w/o atts)

Comptroller U

Date

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\* Adjustments will be made for FY 1990 only. *Bldg-10*

ATTACHMENT A

INTERAGENCY AGREEMENT NO. 2130-0001

between

The U.S. GEOLOGICAL SURVEY

and

I. PURPOSE

The purpose of this document is to set forth the terms of an agreement between the U.S. Geological Survey (USGS) and \_\_\_\_\_ concerning costs incurred while establishing a ~~100~~ child, non-profit child care center in the Reston/Herndon, Virginia, area for use by children of employees of the six sponsoring Federal organizations. The six participating Federal organizations include the U.S. Geological Survey and the Minerals Management Service of the Department of the Interior; the National Aeronautics and Space Administration; the Central Intelligence Agency; the Defense Mapping Agency; and the Defense Communications Agency.

II. AUTHORITY

This agreement is based on the authorities of the Economy Act, 31 U.S.C. 1535. By authority of 40 U.S.C. 490b (the Tribble Amendment), Federal agencies are permitted to use appropriated funds to pay for rent-free space and start-up costs for establishment of Government sponsored child care centers when such centers are administratively determined to be necessary for employee welfare.

III. RESOURCE COMMITMENT

Under the authority noted above, Federal agencies are permitted/expected to provide building space, utilities, maintenance and security free of charge to provider/parent groups in support of Federally-sponsored child care centers. Federal agencies are also permitted/expected to pay for initial purchases of playground equipment, furniture, educational supplies, toys, consultant services, office and kitchen equipment, and other start-up funding costs. Federal agencies are not permitted to pay for the operating expenses of the center, such as teacher salaries and benefits, insurance, legal and accounting fees and replacements of equipment and supplies. These costs must be paid for by the center/parent groups through tuition, fees, grants, and fundraising.

A. CONSULTANT SERVICES

Consultant services are needed to provide professional advice and assistance to an Interagency Committee/Board of Directors (composed of representatives from each of the six participating organizations noted above) in planning and developing the Federally-sponsored child care center. These services will be provided on the basis of a firm fixed-price contract which will cost \$26,211 for the basic program (infant, toddler, and pre-school care), and up to an additional \$10,120 if the parties to this agreement elect to develop and implement optional programs (before/after school and summer care for school-aged children, emergency/drop-off care, part-time child care, and a child care program for handicapped children). If the optional programs are adopted, a

formal contract modification will be issued. The period of performance of the contract will be from the date of contract award, August 17, 1989, through September 30, 1990, with one 1-year option period to extend the term of the contract through September 30, 1991, if problems are encountered in procuring/constructing the facility.

As lead agency, USGS will develop and administer the contract for the consultant services, and will initially pay for the contract costs. The other participating organizations will reimburse USGS for their shares of the costs. Because these services are expected to benefit all participating organizations equally, the costs for consultant services will be divided equally among participating organizations. Each participating organization agrees to reimburse USGS for \$4369 for the development of the basic program, and up to an additional \$1687 if the parties elect to develop the optional programs. In making decisions concerning whether or not to develop the optional programs, the vote of a majority of the Interagency Committee members will prevail.

#### B. OTHER START-UP COSTS

Other start-up costs which participating organizations will pay for on a one-time only basis include such items as classroom and office furniture, playground equipment, toys, educational supplies, kitchen equipment, washer/dryer, and office equipment such as a copying machine and a computer. These start-up costs are estimated at \$150,000. The costs will be divided on a pro rata basis based upon the number of child care slots reserved by each participating organization. (Agency name) has reserved \_\_\_\_\_ child care slots out of the center's 160 slots, and will therefore pay \_\_\_\_\_% of the start-up costs for the center; (agency's name) share of the start-up costs is estimated at \$\_\_\_\_\_. (Agency name) agrees to pay \_\_\_\_\_% of the start-up costs regardless of whether actual usage of the center on the part of (agency name)'s employees is less than or exceeds the reserved number of slots. Actual costs may be higher or lower than estimated costs. The level of financial commitment on the part of (agency name) may be renegotiated at a later date in accordance with the provisions of Section IV of this agreement.

#### C. ONGOING CHILD CARE EXPENSES

Participating organizations will pay for rent, utilities, security, and maintenance of the child care facility on an ongoing basis. These costs are currently estimated at \$280,000 per annum (\$26.6 per square foot X 10,500 square feet). This cost estimate includes build-out/construction costs which may be negotiated into the cost of the lease. The target date to have a signed contract for lease of the child care space is January 1990. Therefore, space costs for FY 1990 for 9 months of rent are estimated at 9/12 of \$280,000 or \$210,000. Space costs for FY 1991 and beyond will be adjusted for inflation in accordance with the terms of the contract for lease of the child care space. Space costs will be divided among participating organizations on a pro rata basis as described in Section B. above. Therefore, (agency name) agrees to pay for \_\_\_\_\_% of the cost of ongoing child care expenses; (agency's name)'s estimated share of ongoing child care expenses is \$\_\_\_\_\_ for FY 1990 and \$\_\_\_\_\_ for FY 1991. (Agency name) agrees to pay \_\_\_\_\_% of the ongoing child care expenses regardless of whether actual usage of the center on the part of (agency's name)'s employees is less than or exceeds the reserved number of slots. Actual costs may be higher or lower than estimated

costs, depending upon the actual terms of the lease for the child care space. The level of financial commitment on the part of (agency name) may be renegotiated at a later date in accordance with the provisions of Section IV of this agreement.

#### D. PROJECT ADMINISTRATION

As lead agency, USGS is providing a number of support services which contribute toward the development of this project. For example, USGS personnel prepared the RFP for consultant services; they negotiated and will administer the consultant contract; USGS personnel prepared the space request going to the General Services Administration (GSA); they will continue to perform a number of functions, in conjunction with GSA and the child care consultant/architect, related to the procurement, design, construction, and maintenance of the child care center space; and USGS personnel will be responsible for procurement of many of the supplies/equipment for the center, and for paying the bills for these items. In recognition of these services, each participating organization agrees to pay a project overhead rate of 5.5% to be added to all costs identified above.

#### IV. TERMS OF AGREEMENT

This agreement is effective as of 1989, and will remain in effect until August 31, 1991 (projected to be the end of the first full year of operation of the child care center). Thereafter, it shall be automatically renewed from year to year on August 31 unless any party to the agreement gives written notice of its desire to modify or terminate the agreement at least 120 days prior to the annual renewal date.

#### V. BILLING PROVISIONS

USGS will bill (agency name) by OPAC in advance on a (quarterly/annual?) basis for costs incurred as authorized in this agreement.

#### VI. APPROPRIATION

Authorized costs incurred in FY 1990 are to be charged to the cost accounts shown below. FY 1991 funding will be authorized when funds are appropriated for operations for that fiscal year.

VII. SIGNATURES OF AUTHORIZING OFFICIALS

Agency: U.S. Geological Survey

Authorizing Official: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Agency: \_\_\_\_\_

Authorizing Official: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Agreement Number: \_\_\_\_\_

Agency Location Code (ALC): \_\_\_\_\_

Cost Account for FY 1990: \_\_\_\_\_

Estimated Total Cost for FY 1990: \_\_\_\_\_

Estimated Total Cost for FY 1991: \_\_\_\_\_

ATTACHMENT B



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