

SMALL BUSINESS COURSE

DOING BUSINESS WITH THE DEFENSE LOGISTICS AGENCY

AN OVERVIEW FOR NEW VENDORS



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THE DEFENSE LOGISTICS AGENCY - WHO WE ARE AND WHAT WE DO

I. THE DEFENSE LOGISTICS AGENCY - WHO WE ARE AND WHAT WE DO

The DLA Enterprise

The Defense Logistics Agency has provided the Nation's warfighters with logistics support for over 40 years. The support needed to achieve success in their assigned mission, whether they are engaged in combat, peacekeeping or humanitarian assistance activities.

Mission – To provide the best value logistics support to the Armed Forces, in peace and war... around the clock, around the world.

Vision – Right Item, Right Time, Right Place, Right Price. Every Time... best value solutions for America's warfighters.

DLA has adopted four goals –

Goal 1: Consistently provide responsive, best value supplies and services to our customers

Goal 2: Structure internal processes to deliver customer outcomes effectively and efficiently

Goal 3: Ensure our workforce is enabled and empowered to deliver and sustain logistics excellence.

Goal 4: Secure and manage DLA resources effectively and efficiently

Under Goal 2, one strategy is to leverage industry.

In support of this strategy, we are providing this training program for small businesses, to educate them on doing business with the federal government, specifically DLA, and facilitate their competing more effectively in the new environment of long-term contracts, prime vendor contracts, and other new business practices.

Organization (Under USD(AT&L) and Agency Structure)

The Defense Logistics Agency (DLA) is the largest U.S. Department of Defense (DoD) defense agency. The DLA Director reports to the Under Secretary of Defense for Acquisition, Technology and Logistics. The DLA provides worldwide logistics support for the missions of the Military Departments and the Unified Combatant Commands under conditions of peace and war. It also provides logistics support to other DoD Components and certain Federal agencies, foreign governments, international organizations, and others as authorized. The DLA's origins date back to World War II when America's huge military buildup required the rapid procurement of vast amounts of munitions and supplies.

DLA procures, manages, stores, and distributes almost every consumable item the military needs to operate. Commodities include maritime and land weapons systems support, aviation support, energy, food, clothing, medical supplies, general and industrial supplies.

Our Customers determine their requirements for materiel and supplies. DLA Supply Centers consolidate requirements and procure the supplies in sufficient quantities to meet customers' projected needs. Many of DLA's procured items are delivered directly from a commercial vendor; the remainder of the items are stored and distributed through a complex of worldwide depots. Some supply centers also offer specialized services to support customers.

At a glance, DLA:

- Manages 5.2 Million Items – Eight Supply Chains.
- Managed \$31.8 billion in customer sales for Fiscal Year 2005... supporting 1411 weapons systems.
- Is responsible for approximately 95% of the Military Services' repair parts... 100% of Services' subsistence, fuels, medical, clothing & textile, construction materiel and barrier materiel.
- DLA does **Not** review or evaluate new items for possible use by the Military Services nor does it issue research and development (R&D) contracts.

DEFENSE LOGISTICS AGENCY PURCHASING ACTIVITIES

II. DEFENSE LOGISTICS AGENCY PURCHASING ACTIVITIES

The DLA is comprised of four major Inventory Control Points or Defense Supply Centers that are responsible for purchasing commodities and services which are common to all Military Services and some Federal Civilian Agencies.

Defense Supply Centers

Defense Energy Support Center (DESC) manages all petroleum resources used by the Military. DESC also buys and sells deregulated electricity and natural gas to DoD and other federal agency customers. <http://www.desc.dla.mil/default.asp>

Bulk Fuels - Jet Fuels, Distillate Fuels, Residual Fuels, Automotive Gasoline's (for overseas locations only), Specified Bulk Lubricating Oils, Aircraft Engine Oils, and Fuel Additives such as Fuel System Icing Inhibitor, and Crude Oil in support of the Department of Energy Strategic Petroleum Reserve Program..

Direct Delivery Fuels - Ground Vehicle Fuel, Ships' Propulsion Fuel, Commercial Airport Fuel, Installation Heating Oil.

Missile Fuels - Missile Fuels, Propellants, and various Chemicals and Gases largely in support of the United States Air Force and the NASA space launch and satellite program.

Alternative Fuels - Utility Privatization, Natural Gas, Coal, Electricity.

Small Business Office:

<http://www.desc.dla.mil/DCM/DCMPPage.asp?LinkID=pgeSmallBusiness>

Defense Supply Center Columbus (DSCC) is the lead center for Land, Maritime & Aerospace systems support. <http://www.dsccl.dla.mil/>

Land – Manages consumable repair parts for over 600 land-based weapon systems maintained by all Military Services. Items include Diesel Engine Components, Power Transmission Components, Vehicular Body, Frame and Chassis Components, Canvas Products (Covers, Cushions), Hoses and Guns (parts only).

Maritime – Provides logistical support for over 360 weapon systems for America's Armed Forces. Items include Valves & Pumps, Compressors, Fittings, Steam Turbine Components, and Engine Fuel System Components.

Aerospace - Gyro Components, Sensors, Thermal Resistors, Level Detectors, Launcher Components.

Commodity-Based Electronics – Active Devices such as electron tubes, oscillators and crystals, semiconductor devices, electronic assemblies, boards and cards, microcircuits, electronic modules, and optoelectric devices; Electrical Devices such as switches, connectors, relays and solenoids, and wire and cable products; Passive Devices such as resistors, capacitors, coils and transformers, and filters and networks; and, Electronic and Fiber Optic Items such as communications equipment, fiber optics, fire control equipment, guided missile components and

launchers, fuses, synchros and resolvers, amplifiers, circuit breakers, antennas and waveguides, and measuring and testing instruments.

Small Business Office:

<http://www.dscc.dla.mil/offices/smbusiness/>

Defense Supply Center Philadelphia (DSCP) is the lead center for Troop & General Support, managing food, clothing, textiles, medicines, medical equipment, construction and equipment supplies, and support for U.S. humanitarian and disaster relief efforts. <http://www.dscp.dla.mil/>

Clothing & Textiles – Uniforms, Outerwear, Undergarments, Tents, Cloth Hats, Hand Wear, Footwear, Individual Clothing and Equipment, Flags, and Ecclesiastical items.

Subsistence - Food in support of military dining facilities and ships galleys as well as numerous non-military federal customers. Items include fresh, chill and freeze, semi-perishable and market-ready items; and operational rations, war readiness, humanitarian and emergency relief items for peacetime and contingency requirements. Fresh fruit and vegetables are also procured for the Defense Commissary Agency, Military Exchanges, Civilian Agencies as well as the U.S. Department of Agriculture, including states and school districts in the National School Lunch Program.

Medical – Pharmaceuticals, Biomedical and Hospital Equipment, and Med/Surgical supplies.

Construction & Equipment – General Hardware such as Nails, Keys, Pins, Rivets, Fastening Devices, Brackets, Knobs and Pointers, Coil, Flat and Wire Springs; Safety and Rescue Equipment such as Face Respirators, Chemical/Biological Masks, Oxygen Canisters, Harnesses, Hoists, Face-Shields, Welding Goggles, Life Vests, and Fall Protection Devices; Building Materials such as Sawmill and Planing Mill Machinery, Woodworking Machines, Measuring Tools, Inspection Gages and Precision Layout Tools, Cabinets, Lockers, Bins and Shelving, Industrial Furnaces, Kilns, Lehrs and Ovens, Tile, Brick and Block, Roofing and Siding Materials, and Fencing, Fences and Gates; Heavy Equipment such as Material Handling (e.g. Lifts, Warehouse Trucks), Construction (e.g. Excavators, Loaders, Graders), General (e.g. Sweepers, Cranes, Tractors), and Fire Trucks and Rescue Vehicles; Material Handling such as Conveyors, Warehouse Trucks and Tractors, Tie downs, Pallets, and Stacking Systems; General and Industrial Ventilation and Air conditioning; Wood Products; and Photographic and Imaging Equipment and Supplies.

Small Business Office:

<http://www.dscp.dla.mil/sbo/index.htm>

Defense Supply Center Richmond (DSCR) is the lead center for aviation weapon systems and environmental logistics support. <http://www.dscr.dla.mil/>

Aviation - Engine Components, Bearings, Air Frames, Helicopter Components, Cargo Aviation Items, Cable Assemblies, Instrumentation and Gages, Aviation Life Support Items, Aircraft Landing Gear Components, Aircraft Ground Servicing Equipment, Chain and Wire Rope, Guided Missile Maintenance and Repair Equipment, Lugs, Terminals, Terminal Strips, Electrical

Motors, Non-Rotating Electrical Converters, Electrical Control Equipment, and Generators. Chemicals, Chemical Products, and Industrial Gases and Cylinders, and Rings, Shims, and Spacers, which support most major weapons systems.

Maps – Maps, Charts and Graphs for all DoD Activities.

Environmental Products - Re-refined Oil, Battery Consignment Program, Federal Government's Ozone Depleting Substance Reserve.

Industrial Plant Equipment – Lathes, Milling machines, Grinders, Vertical Turret Lathes, Horizontal Boring Mills, Presses, Machining Centers, Bending Machines and other equipment primarily used in maintenance, production, and research and development facilities within DoD activities worldwide, both afloat and ashore.

Small Business Office:

<http://www.dscr.dla.mil/SBO/index.asp>

While the Defense Supply Centers are DLA's contracting activities, there are other DLA purchasing activities. These include a distribution center, three service centers, and a support services component.

Defense Distribution Center <http://www.ddc.dla.mil/>

Defense Distribution Center (DDC) is the lead center for distribution for DLA. Responsibilities include receipt, storage, issue, packing, preservation, worldwide transportation, intransit visibility and redirecting enroute, when required, of all items placed under its accountability by the DLA and the military services. The DDC's 26 Distribution Depots located throughout the United States and Europe store 4.0 million stock numbers in 327 million square feet of storage space and process over 23 million transactions annually. Clothing and textiles, electronics, industrial, general and construction supplies, subsistence, medical material and the military services' principle end items are among the commodities for which the DDC is responsible.

Service Centers

Document Automation and Production Service (DAPS) is the single manager for all DOD printing and duplicating, providing automated information products and services to DOD and designated federal activities. This includes the digital conversion, storage, output and distribution of documents, in any format or medium customers require, whether on-line, compact disk, cassette or printed page. <http://www.daps.dla.mil/>

Defense Reutilization and Marketing Service (DRMS) provides DOD with worldwide reuse, recycling and disposal services. DRMS disposes of excess property received from the military services. The inventory changes daily and includes thousands of items from air conditioners to vehicles, clothing to computers, and much more. Property is first offered for reutilization within the Department of Defense, transferred to other federal agencies, or donated to state and local governments and other qualified organizations. Excess property that is not reutilized, transferred or donated may be sold to the public as surplus. DRMS also manages the disposal of hazardous property for DoD activities. <http://www.drms.dla.mil/>

Defense National Stockpile Center (DNSC) is responsible for providing safe, secure and environmentally sound stewardship for strategic and critical materials in the United States National Defense Stockpile (NDS). An early form of the NDS was created just before World War II with a mission of acquiring and storing metals, minerals and agricultural supplies such as rubber. The stockpile of materials was intended to decrease dependence upon foreign sources of supply during national emergency. Commodities range from base metals such as zinc, lead, cobalt, and chromium to the more precious metals such as platinum, palladium, and industrial diamonds. There is no private sector company in the world that sells this wide range of commodities and materials. <https://www.dnsc.dla.mil/default.asp>

Headquarters <http://www.dla.mil/dss/dss-a/>

DLA Enterprise Support (DES) is a headquarters component of DLA. DES Base Contracting (DES-A) is focused on providing Headquarters Complex customers with timely and cost-effective services in facilities support, security, quality of life and contracting. The Contracting Office offers an experienced staff with expertise in the acquisition of Information Technology (IT) resources and the full spectrum of base contracting support requirements.

SOURCES OF INFORMATION

III. SOURCES OF INFORMATION

The following are important sources from which you can obtain information pertinent to doing business with the Defense Logistics Agency, the Department of Defense, the Military Services, the Small Business Administration, and the General Services Administration.

Procurement Technical Assistance Centers www.dla.mil/pta

The DoD Procurement Technical Assistance Cooperative Agreement Program or PTAC program was established by Congress in 1985. The PTAC program is funded through a Cooperative Agreement with the Department of Defense and with local, in-kind and/or cash support. The DLA Director of Small and Disadvantaged Business Utilization is responsible for the management of the PTAC program.

The purpose of the PTAC program is to generate employment and to improve the general economy of locality by assisting business firms in obtaining and performing under Federal, state and local government contracts.

Visit the web site for a list of PTACs and the regions they serve.

Defense Logistics Agency web page <http://www.dla.mil/>

Vendors can check here for links to buying and selling opportunities. The DLA Customer Handbook, a reference guide to everything DLA sells and supplies, is available at <http://www.dla.mil/J-4/publication.asp#Customer>.

DLA Office of Small and Disadvantaged Business Utilization <http://www.dla.mil/db/>

Reports directly to the Director, DLA, and is responsible for ensuring that small businesses have an equitable, fair and impartial opportunity to participate in the DLA acquisition program.

DLA Procurement Regulations <http://www.dla.mil/j-3/j-336>

DLA's official source for all procurement related regulations.

Office of the Secretary of Defense Small And Disadvantaged Business Utilization (OSD SADBUI) <http://www.acq.osd.mil/sadbu>

Mission is to enable the Warfighter to gain access to Small Business' efficiency, innovation and creativity.

Military Services Small Business Sites

Director of Small & Disadvantaged Business Utilization

Office of the Secretary of the Army

106 Army Pentagon, Room 2A712

Washington, DC 20310-0106

(703) 697-2868

<http://www.sellingtoarmy.info/>

HQ US Army Corps of Engineers
441 G Street, NW
Washington, DC 20314-1000
<http://www.usace.army.mil/business.html#Small>

Director of Small & Disadvantaged Business Utilization
Office of the Secretary of the Navy
Washington Navy Yard
720 Kennon Street SE, Room 207
Washington, DC 20374
(202) 685-6485
<http://www.hq.navy.mil/sadbu/>

Director of Small & Disadvantaged Business Utilization
Office, Under Secretary of the Air Force
1060 Air Force Pentagon
Washington, DC 20330-1060
(703) 696-1103
<http://selltoairforce.org/index.asp>

Small Business Administration <http://www.sba.gov/>
The U.S. Small Business Administration (SBA) was created by Congress to help America's entrepreneurs form successful small enterprises.

Small Business Development Centers (SBDC) <http://www.sba.gov/sbdc/>.
The SBA administers the Small Business Development Centers Program to provide management assistance to current and prospective small business owners.

SBA Offices and Services <http://www.sba.gov/services/>

SBA Certification or Qualification Requirement(s) <http://www.sba.gov/certifications/>

Dynamic Small Business Search
The U.S. Small Business Administration (SBA), the Department of Defense (DoD), the Office of Management and Budget, and the General Services Administration took steps to simplify the federal contracting process by creating an integrated database of small businesses that want to do business with the government.

The integration of SBA's *PRO-Net* and DoD's Central Contractor Registration (CCR) databases has created one portal for entering and searching small business sources. This integration assists small businesses with marketing their goods and services to the federal government. Procuring agencies and contracting officers, to conduct market research and confirm eligibility for SBA's procurement preference programs, now go to the CCR Web site at <http://www.ccr.gov/> and click on the "Dynamic Small Business Search" button.

SBA's Tech-Net <http://tech-net.sba.gov/>

TECHNOLOGY RESOURCES NETWORK

Tech-Net is an electronic gateway of technology information and resources for and about small high tech businesses. It is a search engine for researchers, scientists, state, federal and local government officials, a marketing tool for small firms and a potential "link" to investment opportunities for investors and other sources of capital.

Tech-Net is an Internet-based database of information containing Small Business Innovation Research (SBIR) awards, Small Business Technology Transfer (STTR) awards, Advanced Technology Program (ATP) awards, and Manufacturing Extension Partners (MEP) centers. It is a free service for those seeking small business partners, small business contractors and subcontractors, leading edge technology research, research partners (small businesses, universities, federal labs and non-profit organizations), manufacturing centers and investment opportunities.

General Services Administration (GSA)

<http://www.gsa.gov/Portal/gsa/ep/home.do?tabId=0>

GSA is the federal government's business manager, buyer, real estate developer, telecommunications manager, and IT solutions provider. They contract for billions of dollars worth of products and services for federal agencies. Examples of items managed by GSA: Environmental Products; Furniture and Furnishings; IT/Telecom Products, Services and Products; Office, Imaging and Document Solutions, Products and Services; Travel and Transportation; and Vehicles.

GSA Office of Small Business Utilization

<http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8199&channelPage=%2Fep%2Fchannel%2FgsaOverview.jsp&channelId=-13325>

GSA - Small Business Publications

<http://www.gsa.gov/Portal/gsa/ep/programView.do?pageTypeId=8199&oid=10382&programPage=%2Fep%2Fprogram%2FgsaDocument.jsp&programId=9603&channelId=-13325#Small%20Business%20Publications>

FirstGov <http://www.first.gov/>

FirstGov.gov, the official U.S. gateway to all government information, is the catalyst for a growing electronic government. Their work transcends the traditional boundaries of government and their vision is global - connecting the world to all U.S. government information and services. With a powerful search engine and ever-growing collection of topical and customer-focused links, FirstGov connects you to millions of Web pages - from the federal government, local and tribal governments and to foreign nations around the world.

Regulations Governing Federal Procurements

The basic contracting rules for most Federal Government agencies are set forth in the Federal Acquisition Regulations (FAR). The FAR outlines procurement policies and procedures that are used by members of the Acquisition Team. The Acquisition Team consists of all participants in

Government acquisition including not only representatives of the technical, supply, and procurement communities but also the customers they serve, and the contractors who provide the products and services. The role of each member of the Acquisition Team is to exercise personal initiative and sound business judgment in providing the best value product or service to meet the customer's needs. <http://www.arnet.gov/far/> Additional rules unique to Department of Defense are set forth in the DoD FAR Supplement (DFARS). <http://www.acq.osd.mil/dp/dars/dfars.html>

FAR Subpart 1.101 Purpose - The Federal Acquisition Regulations System was established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies. The Federal Acquisition Regulations System consists of the Federal Acquisition Regulation (FAR), which is the primary document, and agency acquisition regulations that implement or supplement the FAR.

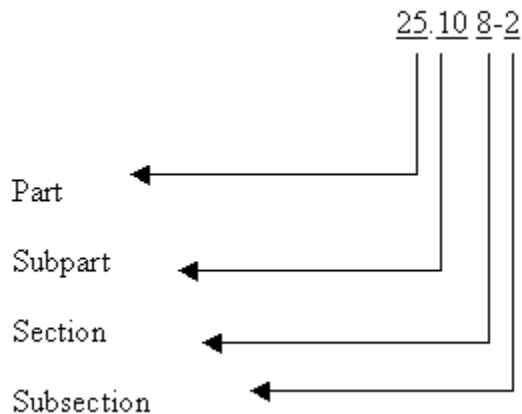
DFARS Subpart 201.104 Applicability - The FAR and DFARS also apply to purchases and contracts by DoD contracting activities made in support of foreign military sales or North Atlantic Treaty Organization cooperative projects without regard to the nature or sources of funds obligated, unless otherwise specified in this regulation.

Federal Acquisition Regulations (FAR) – General

The FAR is prepared, issued, and maintained, and the FAR System is prescribed jointly by the Secretary of Defense, the Administrator of General Services, and the Administrator, National Aeronautics and Space Administration, under their several statutory authorities. It is divided into parts (each of which covers a separate aspect of acquisition), subparts, sections, and subsections.

FAR - Numbering

The numbering system allows for the discrete identification of every FAR paragraph. The digits to the left of the decimal point represent the part number, which is a separate aspect of the acquisition. The numbers to the right of the decimal point and to the left of the dash represent, in order, the subpart (one or two digits), and the section (two digits). The number to the right of the dash represents the subsection. Subdivisions may be used at the section and subsection level to identify individual paragraphs. The following example illustrates the make-up of a FAR number citation (note that subchapters are not used with citations):



Subdivisions below the section or subsection level consist of parenthetical alpha numerics using the following sequence: (a)(1)(i)(A)(I)(i).

Using the FAR coverage at 9.106-4(d) as an illustration, reference to the:

- (i) Part would be "FAR Part 9"
- (ii) Subpart would be "FAR Subpart 9.1"
- (iii) Section would be "FAR 9.106"
- (iv) Subsection would be "FAR 9.106-4"
- (v) Paragraph would be "FAR 9.106-4 (d)"

FAR Part 19 and DFARS Part 219 - Small Business Programs

FAR Subpart 19.201 General Policy - These parts contain the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Such concerns must also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by any executive agency.

ROLES AND RESPONSIBILITIES

IV. ROLES AND RESPONSIBILITIES

ROLES

Procurement Technical Assistance Centers (PTACs) www.dla.mil/pta

The PTAC Program helps small businesses, who would probably consider themselves too small, or the red tape too thick, to bid on contracts with the government. The government does a great deal of business with small companies and although the process is Not simple, its mysteries can be unraveled by your local PTA center.

PTA centers provide day-to-day assistance, along with training, to firms seeking to do business with federal agencies and state and local governments, in the form of such services as:

- Identifying government agencies that purchase a firm's products or services
- Marketing to potential buyers
- Establishing electronic commerce capability
- Using the internet to sell to the government
- Prime & subcontracting opportunities
- Contracting fundamentals
- Helping to prepare bids/proposals
- Preaward & postaward administration issues
- Locating military and other government specifications and drawings
- Small business programs and certifications
- Registration in various programs (e.g. CCR, HUBZone, Pro-Net)
- Setting up or improving quality assurance and accounting systems
- Resolving payment problems

PTACs make a concerted effort to seek out and assist small businesses, small disadvantaged businesses (SDB), women-owned small businesses (WOSB), Historically Underutilized Business Zone (HUBZone) small business concerns, veteran-owned small businesses (including service-disabled veteran-owned small businesses), and Historically Black Colleges & Universities and Minority Institutions (HBCU/MIs).

What is the difference between the PTACs and the Small Business Administration?

The Small Business Administration helps businesses get started and write business plans that will attract investors. PTACs help established businesses that wish to market their products or services to the various government agencies. Both the SBA and PTACs work together and share resources and knowledge.

DLA Office of Small and Disadvantaged Business Utilization <http://www.dla.mil/db/>

DLA's small business office is responsible for ensuring that small businesses have an equitable, fair and impartial opportunity to participate in the DLA acquisition program.

DLA's small business office is Not a direct part of the Small Business Administration however they act to support the programs of the Small Business Administration.

Through local Small and Disadvantaged Business Utilization (SADBU) Offices at each DLA procuring activity, they advise and assist contracting, program manager, and requirements personnel on all matters which affect small businesses. Local SADBUs serve as an assistant to their Commander in developing and implementing strategies that broaden business opportunities for small businesses, small disadvantaged business concerns, small women owned businesses, Historically Underutilized Business Zone (HUBZone) small business concerns, veteran-owned small businesses (including service-disabled veteran-owned small businesses), and Historically Black Colleges & Universities and Minority Institutions (HBCU/MIs), workshops for the blind (NIB), and the severely disabled (NISH), and Javits Wagner O' Day (JWOD) and Federal Prison Industries (UNICOR) within the framework of current acquisition programs. The procuring activity small business specialist is the primary activity focal point for interface with the SBA.

They also aid, counsel and assist small businesses by providing advice concerning acquisition procedures, information regarding proposed acquisitions, instruction on preparation of proposals in the interpretation of standard clauses, representations, and certifications, ensure that financial assistance, available under existing regulations, is offered and also assist small business concerns in obtaining payments under their contracts, late payment, interest penalties, or information on contractual payment provisions. They have outreach programs to locate small business suppliers.

What can the SADBU Office do for you?

- Explain Government procurement terminology, procedures and regulations
- Identify points of contact
- Assist in identifying Federal Stock Classes related to products
- Assist in understanding their web site
- Direct you to other useful web sites
- Act as an Ombudsman

Small Business Administration <http://www.sba.gov/>

The U.S. Small Business Administration (SBA) was created by Congress in 1953 to help America's entrepreneurs form successful small enterprises. Today, SBA's program offices in every state offer financing, training and advocacy for small firms. These programs are delivered by SBA offices in every state, the District of Columbia, the Virgin Islands and Puerto Rico. In addition, the SBA works with thousands of lending, educational and training institutions nationwide. For a list of SBA Offices and services, go to: <http://www.sba.gov/services/>

Small Business Development Centers (SBDC) <http://www.sba.gov/sbdc/>.

The SBA administers the Small Business Development Centers Program to provide management assistance to current and prospective small business owners. SBDCs offer one-stop assistance to small businesses by providing a wide variety of information and guidance in central and easily accessible branch locations.

In addition to the SBDC Program, the SBA has a variety of other programs and services available. They include training and education, programs, advisory services, publications, financial programs and contract assistance. The agency also offers specialized programs for women business owners, minorities, veterans, international trade and rural development.

GSA's Small Business Utilization Centers

http://www.gsa.gov/Portal/gsa/ep/contentView.do?CONTACT_ID=Small+Business+Support&CONTACT_TYPE=GROUP&contentType=GSA_CONTACTS

Business activities are supported by program experts at GSA headquarters, through Small Business Utilization Centers in 11 regional offices, and by the Small Business Technical Advisors in the GSA Federal Supply Service, the GSA Federal Technology Service and the GSA Public Buildings Service. Specialists can provide you with information on how to get on the GSA's bidder's mailing lists, learn about current bidding opportunities with GSA, and review bid abstracts to learn the bidding history of various contract awards. They can provide you with counseling and guidance on contracting procedures and procurement opportunities within their service specialties.

For more information on GSA's Regional Small Business Centers and Small Business Technical Advisors, visit the GSA Web site.

RESPONSIBILITIES

Contracting Officer FAR Part 2.101

The Contracting Officer (CO) has the authority to enter into, administer, and/or terminate federal government contracts and make related determinations and findings. Contracting officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. A single or multiple contracting officer(s) may be responsible for duties on one contract, in any or all of the following areas:

Procuring Contracting Officer (PCO) enters into the contract and retains the original signed contract for the official contract file.

Administrative Contracting Officer (ACO) administers the contract.

Contract administration office means an office that performs--

- (1) Assigned postaward functions related to the administration of contracts and
- (2) Assigned preaward functions.

Termination Contracting Officer (TCO) settles the terminated contract.

Contracting Officer's Representative DFARS 201.602-2

Contracting officers may designate qualified personnel as their authorized representatives to assist in the technical monitoring or administration of a contract. A contracting officer's representative (COR) means an individual designated and authorized, in writing, by the contracting officer to perform specific technical or administrative functions.

The COR must be designated in writing, and a copy furnished the contractor and the contract administration office:

- (a) Specifying the extent of the CORs authority to act on behalf of the contracting officer;
- (b) Identifying the limitations on the COR's authority and specifying the period covered by the designation.

The COR is NOT delegated authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract.

SOCIOECONOMIC PROGRAMS

V. SOCIOECONOMIC PROGRAMS

Types of Small Businesses:

- Small
- Small Disadvantaged
- 8(a)
- Historically Underutilized Business Zone (HUBZone)
- Woman-Owned
- Indian Owned Economic Enterprises & Organizations
- Veteran-Owned/Service-Disabled Veteran-Owned

Size Standards FAR Subpart 19.102

The term “size standard” describes the numerical definition of a small business. A business is considered “small” if it meets or is below an established “size standard”.

- (a) The SBA establishes small business size standards on an industry-by-industry basis.
- (b) Small business size standards are applied by-
 - (1) Classifying the product or service being acquired in the industry whose definition, as found in the North American Industry Classification System (NAICS) Manual (available via the Internet at <http://www.census.gov/epcd/www/naics.html>), best describes the principal nature of the product or service being acquired;
 - (2) Identifying the size standard SBA established for that industry; and
 - (3) Specifying the size standard in the solicitation so that offerors can appropriately represent themselves as small or large.
- (c) For size standard purposes, a product or service shall be classified in only one industry, whose definition best describes the principal nature of the product or service being acquired even though for other purposes it could be classified in more than one.
- (d) When acquiring a product or service that could be classified in two or more industries with different size standards, contracting officers shall apply the size standard for the industry accounting for the greatest percentage of the contract price.
- (e) If a solicitation calls for more than one item and allows offers to be submitted on any or all of the items, an offeror must meet the size standard for each item it offers to furnish. If a solicitation calling for more than one item requires offers on all or none of the items, an offeror may qualify as a small business by meeting the size standard for the item accounting for the greatest percentage of the total contract price.
- (f) Any concern which submits a bid or offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is deemed to be a small business when it has no more than 500 employees, and-
 - (1) Except as provided in paragraphs (f)(4) through (f)(7) of this section, in the case of Government acquisitions set-aside for small businesses, such nonmanufacturer must furnish in the performance of the contract, the product of a small business manufacturer or producer, which end product must be manufactured or produced in the United States. The term "nonmanufacturer" includes a concern which can manufacture or produce the product referred to in the specific acquisition but does not do so in connection with that acquisition. For size determination purposes there can be only one manufacturer of the end item being procured. The manufacturer of the end item being acquired is the concern

which, with its own forces, transforms inorganic or organic substances including raw materials and/or miscellaneous parts or components into such end item. However, see the limitations on subcontracting at 52.219-14 which apply to any small business offeror other than a nonmanufacturer for purposes of set-asides and 8(a) awards.

(2) A concern which purchases items and packages them into a kit is considered to be a nonmanufacturer small business and can qualify as such for a given acquisition if it meets the size qualifications of a small nonmanufacturer for the acquisition, and if more than 50 percent of the total value of the kit and its contents is accounted for by items manufactured by small business.

(3) For the purpose of receiving a Certificate of Competency on an unrestricted acquisition, a small business nonmanufacturer may furnish any domestically produced or manufactured product.

(4) In the case of acquisitions set aside for small business or awarded under section 8(a) of the Small Business Act, when the acquisition is for a specific product (or a product in a class of products) for which the SBA has determined that there are no small business manufacturers or processors in the Federal market, then the SBA may grant a class waiver so that a nonmanufacturer does not have to furnish the product of a small business. For the most current listing of classes for which SBA has granted a waiver, contact an SBA Office of Government Contracting. A listing is also available on SBA's Internet Homepage at <http://www.sba.gov/gc>. Contracting officers may request that the SBA waive the nonmanufacturer rule for a particular class of products.

(5) For a specific solicitation, a contracting officer may request a waiver of that part of the nonmanufacturer rule which requires that the actual manufacturer or processor be a small business concern if no known domestic small business manufacturers or processors can reasonably be expected to offer a product meeting the requirements of the solicitation.

(7) The SBA provides for an exception to the nonmanufacturer rule where the procurement of a manufactured item processed under the procedures set forth in Part 13 is set aside for small business and where the anticipated cost of the procurement will not exceed \$25,000. In those procurements, the offeror need not supply the end product of a small business concern as long as the product acquired is manufactured or produced in the United States.

Determination of size:

NAICS Code <http://www.census.gov/epcd/naics02/>

SBA Size Standard <http://sba.gov/size/>

Small Business

What qualifies you as a small business? The Small Business Act states that a small business concern is "one that is independently owned and operated and which is not dominant in its field of operation." The law also states that in determining what constitutes a small business, the definition will vary from industry to industry to reflect industry differences accurately. SBA's [Small Business Size Regulations](#) implement the Small Business Act's mandate to SBA. SBA has also established a [table](#) of size standards, matched to North American Industry Classification System (NAICS) industries.

SBA has adjusted its monetary-based size standards (*e.g.*, receipts, net worth, and financial assets), for the effect of inflation that has occurred since the last inflation adjustment in February 2002. Since the last inflation adjustment, the general level of prices has increased 8.7%. This action restores small business eligibility to businesses that have lost that status due to inflation. In addition, this rule changes the process for determining the size of small business concerns applying for SBA Business Loans and Economic Injury Disaster Loans (EIDL) from a test considering only the primary industry of the applicant, to a two-part test considering both the primary industry of the applicant and the primary industry of the applicant with affiliates. This rule also changes the date on which SBA determines size status for purpose of EIDL applications for businesses located in disaster areas declared as a result of Hurricanes Katrina, Rita, and Wilma.

The increased size standards are effective December 5, 2005.

For purposes of Federal procurements, this rule applies to solicitations, except for noncompetitive section 8(a) contracts, issued on or after January 5, 2006. For purposes of noncompetitive section 8(a) contracting actions, the new size standards are applicable to offers of requirements that are accepted by SBA on or after January 5, 2006.

Comments to the interim final rule are due by close of business January 5, 2006.

Small Disadvantaged Business

To be eligible as a small disadvantaged business a firm must qualify as a small business in accordance with the standards set forth by the Small Business Administration (SBA), *i.e.* ownership, affiliation, profit, and number of employees. Also, a firm must be socially or economically disadvantaged pursuant to Section 8(a) of the Small Business Act .

“At least one objective distinguishing feature that has contributed to social disadvantage, such as race, ethnic origin, gender, physical handicap, long-term residence in an environment isolated from the mainstream of American society, or other similar causes not common to individuals who are not socially disadvantaged:

1. Personal experiences of social disadvantage stemming from the objective distinguishing feature or features set forth in the preceding paragraph. The experiences must have been in American society, not in other countries, and must have been substantial and chronic.
2. Negative impact on entry into or advancement in the business world because of the disadvantage. SBA considers any relevant evidence in assessing this element. In every case, however, SBA considers education, employment and business history, where applicable, to see if the totality of circumstances shows disadvantage in entering or advancing in the business world.”

Members of the following ethnic groups are classified as disadvantaged: Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Subcontinent Asian Americans, and members of other groups designated on a case by case basis by the SBA.

Economically disadvantaged individuals are socially disadvantaged and their ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities, as compared to others in the same or similar line of business who are not socially disadvantaged.

Self certification as a SDB prime contractor for statistical purposes is acceptable, however, anyone who misrepresents their status as a small disadvantaged business for the purpose of securing a contract or subcontract shall:

- Be punished by imposition of fine, imprisonment, or both.
- Be subject to administrative remedies, including suspension and debarment.
- Be ineligible for participation in programs conducted under the authority of the Small Business Act.

**Effective October 1, 1999, a subcontractor claiming SDB status must be certified by the Small Business Administration (SBA). SDBs can obtain application information from the SBA by calling 1-800-558-0884. SDBs that receive formal certification are listed in the SBA on line data base *Pro-Net*.

8(a) Firm

Participation in the Section 8(a) Program requires certification by the SBA. To be eligible, a firm must be at least 51% owned and controlled by a socially and economically disadvantaged individual or in the case of a publicly owned business, 51% of the stock must be owned by such individuals. Moreover, a firm's management and daily operations must be controlled by one or more disadvantaged individuals. While all 8(a) concerns are SDBs, not all SDBs are certified to participate in the 8(a) program. The applicant firm must have been operational for at least two full years as evidenced by business income tax returns for each of the two previous tax years which show operating revenues in the primary industry in which the applicant firm is seeking 8(a) program certification.

Program participation is divided into two stages: the developmental stage and the transitional stage. The developmental stage is four years and the transitional stage is five years. The developmental stage is designed to help 8(a) certified firms overcome their economic disadvantage by providing business development assistance. The transitional stage is designed to help participants overcome the remaining elements of economic disadvantage and to prepare participants for leaving the 8(a) program.

8(a) firms are reviewed by SBA annually for compliance with eligibility requirements.

“As part of an annual review, each Participant firm must submit to the servicing district office the following:

1. A certification that it meets the 8(a) BD program eligibility requirements;
2. A certification that there have been no changed circumstances which could adversely affect the Participant's program eligibility;
3. Personal financial information for each disadvantaged owner;
4. A record from each individual claiming disadvantaged status regarding the transfer of assets for less than fair market value to any immediate family member, or to a trust in

which an immediate family member is a beneficiary, within two years of the date of the annual review. The record must provide the name of the recipient(s) and family relationship and the difference between the fair market value of the asset transferred and the value received by the disadvantaged individual;

5. A record of all payments, compensation, and distributions (including loans, advances, salaries, and dividends) made by the Participant to each of its owners, officers, directors, or to any person or entity affiliated with such individuals;
6. IRS Form 4506, Request for Copy or Transcript of Tax Form; and
7. Such other information that SBA may deem necessary.

When a Participant fails to provide documentation for annual review, SBA may initiate termination proceedings.”

HUBZone Small Business

The Historically Underutilized Business Zone (HUBZone) Program is designed to stimulate economic development in urban and rural communities by providing contracting preference to small businesses located in such zones. "HUBZone" means a historically underutilized business zone that is an area located within one or more qualified census tracts, qualified nonmetropolitan counties, or lands within the external boundaries of an Indian reservation.

In order to qualify, a firm must be owned and controlled by a U.S. citizen, be located or have its principal office located within a designated HUBZone area, and certify that at least 35% of its employees are HUBZone residents. In order to qualify, you must be a small business concern and certified by the Small Business Administration that your principal office is located in a HUBZone. The certification is good for a 3 year period, however, a firm must self certify annually to SBA that it remains a HUBZone entity.

Log onto the web at <https://eweb1.sba.gov/hubzone/internet/general/findout.cfm> and scroll down to “How do I determine if an address or area is in a HUBZone?” You can search the system using several designations, including a specific address, a county or a full state.

Women-Owned Small Business

In May 1979, Executive Order 12138 directed Agencies to take appropriate action to facilitate, preserve and strengthen women owned businesses and to ensure full participation by women in the free enterprise system.

Women owned businesses are small business concerns at least 51% owned by women who are United States citizens and who also control and operate the business. "Control" means exercising the power to make policy decisions. "Operate" means being actively involved in the day-to-day management of the business.

There are currently no set aside preferences; however Agencies are required to award 5% of their acquisition dollars to women owned businesses. This program is one of special emphasis, law and regulations do not provide special procedures or treatment.

Service-Disabled Veteran-Owned Small Business (SDVOSB)

SDVOSB are small business concerns with: not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and the management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2) as, “a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable” with a disability that is service-connected, as defined in 38 U.S.C. 101(16) as, “with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, or air service.”

FAR 19.1405 - Service-disabled veteran-owned small business set-aside procedures

(a) The contracting officer may set-aside acquisitions exceeding the micro-purchase threshold for competition restricted to service-disabled veteran-owned small business concerns when the requirements of paragraph (b) of this section can be satisfied. The contracting officer shall consider service-disabled veteran-owned small business set-asides before considering service-disabled veteran-owned small business sole source awards (see 19.1406).

(b) To set aside an acquisition for competition restricted to service-disabled veteran-owned small business concerns, the contracting officer must have a reasonable expectation that-

- (1) Offers will be received from two or more service-disabled veteran-owned small business concerns; and
- (2) Award will be made at a fair market price.

FAR 19.1406 - Sole source awards to service-disabled veteran-owned small business concerns.

(a) A contracting officer may award contracts to service-disabled veteran-owned small business concerns on a sole source basis (see 19.501(d) and 6.302-5), provided-

- (1) Only one service-disabled veteran-owned small business concern can satisfy the requirement;
- (2) The anticipated award price of the contract (including options) will not exceed-
 - (i) \$5 million for a requirement within the NAICS codes for manufacturing; or
 - (ii) \$3 million for a requirement within any other NAICS code;
- (3) The service-disabled veteran-owned small business concern has been determined to be a responsible contractor with respect to performance; and
- (4) Award can be made at a fair and reasonable price.

Indian Owned Economic Enterprises & Organizations

The Department of Defense Indian Incentive Program (IIP) strives to provide opportunities to Indian organizations and Indian-owned economic enterprises, by providing for the payment of 5 percent of the amount subcontracted to an Indian organization or Indian-owned economic enterprise at any sub-tier, when authorized under the terms of the contract. DoD contracts with

prime contractors that contain the FAR clause 52.226-1, *Utilization of Indian Organizations and Indian-Owned Economic Enterprises*, are eligible for incentive payments under the program. For actions after 13 September 2001, sub-tier contractors who subcontract to an Indian-owned firm are eligible for the incentive payments by the Prime inserting DFARS Clause 252.226-7001 in the contract. These clauses may be added at any time during the performance of the contract by the Prime.

An "Indian-Owned Economic Enterprise," is any Indian-owned (as determined by the Secretary of the Interior) commercial, industrial, or business activity established or organized for the purpose of profit, provided that the Indian ownership constitutes not less than 51% of the enterprise.

"Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or group or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Small Business Set Asides FAR Subpart 19.501

Procurements may be set-aside for small businesses. A "set-aside for small business" is the reserving of an acquisition exclusively for participation by small business concerns. For a procurement to be totally set-aside, a contracting officer must have reasonable expectations that offers will be obtained from at least two responsible small businesses and awards will be made at reasonable or fair market prices. When such conditions exist, the Small Business Act mandates the establishment of a set aside.

Small business set-asides may be open to all small businesses. A small business set-aside of a single acquisition or a class of acquisitions may be total or partial.

Except for those acquisitions set aside for very small business concerns (see FAR Subpart 19.9), each acquisition of supplies or services that has an anticipated dollar value exceeding \$2,500 (\$7,500 for acquisitions as described in FAR 13.201(g)(1)(i) or \$15,000 for acquisitions as described in FAR 13.201(g)(1)(ii)), but not over \$100,000 (\$200,000 for acquisitions described in paragraph (2)(i) of the Simplified Acquisition Threshold definition at FAR 2.101), is automatically reserved exclusively for small business concerns and shall be set aside for small business unless the contracting officer determines there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery. If the contracting officer receives no acceptable offers from responsible small business concerns, the set-aside shall be withdrawn and the requirement, if still valid, shall be resolicited on an unrestricted basis.

Any acquisition over \$100,000 shall be set-aside for small business participation when there is a reasonable expectation that offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns, and award will be made at fair market prices.

For small business set-asides other than for construction or services, any concern proposing to furnish a product that it did not itself manufacture must furnish the product of a small business manufacturer unless the SBA has granted either a waiver or exception to the nonmanufacturer rule. In industries where the SBA finds that there are no small business manufacturers, it may issue a waiver to the nonmanufacturer rule.

Responsible Offeror FAR Subpart 9.104-1

To be determined responsible, a prospective contractor must-

- (a) Have adequate financial resources to perform the contract, or the ability to obtain them (see FAR 9.104-3(a));
- (b) Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments;
- (c) Have a satisfactory performance record (see FAR 9.104-3(b) and Subpart 42.15). A prospective contractor shall not be determined responsible or nonresponsible solely on the basis of a lack of relevant performance history, except as provided in 9.104-2;
- (d) Have a satisfactory record of integrity and business ethics.
- (e) Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors). (See 9.104-3(a).)
- (f) Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them (see 9.104-3(a)); and
- (g) Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

Buy American Act FAR Subpart 25.101

(a) The Buy American Act restricts the purchase of supplies that are not domestic end products. For manufactured end products, the Buy American Act uses a two-part test to define a domestic end product.

(1) The article must be manufactured in the United States; and

(2) The cost of domestic components must exceed 50 percent of the cost of all the components.

(b) The Buy American Act applies to small business set-asides. A manufactured product of a small business concern is a U.S.-made end product, but is not a domestic end product unless it meets the component test in paragraph (a)(2) of this section.

When one of the following exceptions applies, the contracting officer may acquire a foreign end product without regard to the restrictions of the Buy American Act: (a) *Public interest*; (b) *Nonavailability*, (c) *Unreasonable cost*, (d) *Resale*.

Subcontracting FAR Subpart 19.702

It is the intent of Congress that a fair proportion of the government's procurements be awarded to Small Businesses. To promote this effort, Congress enacted Public Law 95-507 which requires that all acquisitions exceeding \$500,000 (\$1,000,000 for construction) and are awarded to concerns with employees greater than 500 (including affiliates) provide subcontracting opportunities for small business enterprises. Subcontracting offers small business firms an important means of participating in DLA purchasing; particularly, if your capabilities are such that prime contracts are not within your reach.

To be eligible as a subcontractor under the program, a concern must represent itself as a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or a woman-owned small business concern.

The Department of Defense (DoD) offers two markets for small business seeking defense contracting and defense subcontracting opportunities. The first market encompasses prime contracting opportunities; the second market encompasses defense subcontracting opportunities. The DoD encourages small businesses to enter the defense subcontracting market. By entering the market, goods and services flow to strengthen national security and the defense industrial base.

<http://www.acq.osd.mil/sadbu/publications/subdir/index.html> This directory provides the names and addresses of DoD prime contractors and the names and telephone numbers of Small Business Liaison Officers (SBLOs), who are contractor employees responsible for the success of subcontracting programs at various plant sites. Also, this directory cites products and services supplied to the DoD.

Prime contractors use SUB-Net to post subcontracting opportunities. These may or may not be reserved for small business, and they may include either solicitations or other notices -- for example, notices of sources sought for teaming partners and subcontractors on future contracts. Small businesses can review this web site to identify opportunities in their areas of expertise. While the web site is designed primarily as a place for large businesses to post solicitations and notices, it is also used by Federal agencies, state and local Governments, non-profit organizations, colleges and universities, and even foreign Governments for the same purpose.

<http://web.sba.gov/subnet/>

The new web site has shifted the traditional marketing strategy from the shotgun approach to one that is more focused and sophisticated. Instead of marketing blindly to hundreds of prime contractors, with no certainty that any given company has a need for their product or service, small businesses can now use their limited resources to identify concrete, tangible opportunities and then bid on them.

Subcontractor Responsibility FAR Subpart 9.104-4

(a) Generally, prospective prime contractors are responsible for determining the responsibility of their prospective subcontractors (but see FAR 9.405 and 9.405-2 regarding debarred, ineligible, or suspended firms). Determinations of prospective subcontractor responsibility may affect the

Government's determination of the prospective prime contractor's responsibility. A prospective contractor may be required to provide written evidence of a proposed subcontractor's responsibility.

(b) When it is in the Government's interest to do so, the contracting officer may directly determine a prospective subcontractor's responsibility (*e.g.*, when the prospective contract involves medical supplies, urgent requirements, or substantial subcontracting). In this case, the same standards used to determine a prime contractor's responsibility shall be used by the Government to determine subcontractor responsibility.

REGISTRATION

VI. REGISTRATION

Before starting, if you have Any questions, contact your local Procurement Technical Assistance Center (PTAC). Visit the Web site at www.dla.mil/pta for an up-to-date list of PTACs and the regions they serve.

CENTRAL CONTRACT REGISTRATION <http://www.ccr.gov/>

The Defense Federal Acquisition Regulation Supplement (DFARS) requires contractor registration in the DoD Central Contractor Registration (CCR) database prior to the award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement, unless the award results from a solicitation issued on or before May 31, 1998.

Exception: Vendors who deal only in credit card purchases at a local level do not need to be registered in the CCR.

DUNS Number 1-800-333-0505 http://www.dnb.com/US/duns_update/index.html

To do business with DLA, vendors need a D-U-N-S number from Dun & Bradstreet (D&B). The D-U-N-S Number is a unique nine-digit identification sequence, which provides unique identifiers of single business entities, while linking corporate family structures together. D&B links the D-U-N-S Numbers of parents, subsidiaries, headquarters and branches on more than 64 million corporate family members around the world. Used by the world's most influential standards-setting organizations, it is recognized, recommended and/or required by more than 50 global, industry and trade associations, including the United Nations, the U.S. Federal Government, the Australian Government and the European Commission.

CAGE Code <http://www.dlis.dla.mil/cageserv.asp>

The Commercial and Government Entity (CAGE) Code is a five position code that identifies contractors doing business with the Federal Government, NATO member nations, and other foreign governments. The CAGE Code is used to support a variety of mechanized systems throughout the government and provides for a standardized method of identifying a given facility at a specific location. The code may be used for a Facility Clearance, a Pre-award survey, automated Bidders Lists, identification of Debarred Bidders, fast pay processes, etc. The Defense Logistics Information Service (DLIS) has sole responsibility for assigning and maintaining the CAGE Code Master File.

MARKETING TO THE DEFENSE LOGISTICS AGENCY

VII. MARKETING TO THE DEFENSE LOGISTICS AGENCY

- **DLA does Not buy all items for the Department of Defense, therefore, you first need to identify which DoD organization buys your product or service.**
- **DLA does Not review or evaluate new items for possible use by the Military Services.**
- **Products DLA buys are Demand Driven and must fit a need as Determined by our Customers.**

What DLA Buys

Products bought by DLA's Defense Supply Centers can be found on the World Wide Web at: <http://www.supply.dla.mil/itemsear.asp> You can search for items by Item Name or National Stock Number (NSN). It will identify which Supply Center purchases each item.

Products and Services Bought by the Department of Army Major Purchasing Offices can be found on the World Wide Web at: <https://acquisition.army.mil/asfi/>. This is the Army Single Face to Industry (ASFI) Acquisition Business Web Site.

Products and Services Bought by the Department of Navy Major Purchasing Offices can be found on the World Wide Web at <http://www.hq.navy.mil/sadbu/Marketinfo.htm>

Products and Services Bought by the Department of Air Force Major Purchasing Offices can also be found on the World Wide Web at: <http://selltoairforce.org/sell2airforce/toc.htm>

Marketing within DoD for smaller dollar value requirements, products which may be used by any command, can be done on a local basis. Identify your market geographically and then contact each of the small business specialists at the individual DoD activities within your region.

You can identify the small business specialist at each activity by accessing the DoD listing at http://www.acq.osd.mil/sadbu/doing_business/index.htm. You may call these individuals and request information or arrange for an appointment. They can provide helpful information on how to market your product/service within their activity.

HOW TO FIND BUSINESS

VIII. HOW TO FIND BUSINESS

Interested firms must help themselves by learning how DLA conducts its business, and by seeking out those purchasing offices (be it DLA or the Military Services) that buy the products and services they can supply.

The Federal Supply System

The Federal Government buys, stocks, and uses over 7 million items. As a prospective supplier, you should know some basics about the system that manages those items.

Federal Stock Class

The Federal Stock Class (FSC) is a code for items that are sold to the federal government. This field is available for DLA solicitations. Each item in the Federal Supply System is assigned to a specific Source of Supply (SOS) for management. FSCs indicate that DLA, General Services Agency (GSA), or Defense Mapping Agency (DMA) has been designated as the manager at the wholesale level for one or more consumable items of supply in the FSC.

Example:

FSC	1610
Manager (SOS)	DSCR
Item Description:	Aircraft Propellers and Components
National Stock Numbers	590
Description Details:	Includes Aircraft Propellers; Propeller Blades, Cams, Cones, Hubs, Nuts, and Spinners; Test Clubs; Synchronizers; Power Control Units; Integral Oil Control Measures and Propeller Governors. Excludes Rotary Rudder and Rotary Wing Blades (FSC 1615).

National Stock Number

A National Stock Number (NSN) is a thirteen (13) digit number assigned to an item of supply. It consists of the four digit Federal Supply Class (FSC) and the nine digit National Item Identification Number (NIIN). A NIIN is a unique nine character code assigned to each item of supply purchased, stocked or distributed within the Federal Government. The National Item Identification Number consists of a 2-digit National Codification Bureau number designating the central cataloging office (whether North Atlantic Treaty Organization or other friendly country) that assigned the number and a 7-digit (xxx-xxxx) non-significant number. The National Stock Number is arranged as follows: 9999-00-999-9999.

Example: NSN 1610-00-624-7188 - CAM and BEARING ASSEMBLY

NAICS Codes <http://www.census.gov/epcd/naics02/>

NAICS, the North American Industry Classification System, is a method of classifying groups of products. NAICS is erected on a production-oriented or supply-based conceptual framework. This means that producing units that use the same or similar production processes are grouped together in NAICS. It replaces the Standard Industry Classification (SIC) codes.

NAICS was developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about business activity across North America. The NAICS codes are maintained by the U.S. Census Bureau. To learn more about NAICS codes, visit the Census Bureau site.

Procurement Gateway <http://progate.daps.dla.mil/home/>

In an attempt to provide unified information to contractors, the DoD Procurement Gateway was established as an integrated collection of automated systems providing oversight for the management of procurement data from Defense Logistics Agency Supply Centers. The Procurement Gateway allows prospective government contractors to perform comprehensive and detailed searches against Request for Quotation (RFQ) and Award documents. Flexible search options permit the user to identify RFQs and Awards using a variety of search criteria including solicitation, Purchase Request Number (YPI), and National Stock Number (NSN). Users may also search the Procurement Gateway by providing keywords, data ranges, and Federal Supply Class (FSC). All RFQs and Awards are stored in digital format and may be viewed online. Please note that RFQs and Awards are available in Portable Document Format (PDF) and accessing them requires using the free Adobe Acrobat plug-in.



The User Profile option allows registered users to create and customize searches against account-specific profiles. Profile-based searches locate data that is important to you. The Collection Download option allows users to search and collect files on RFQs by the FSC search criteria. Users can collect multiple RFQs and have the Procurement Gateway zip those files up for you online, instantly. To conserve server resources, Collection Download requests are limited to 4 MB per request. Once the request has been processed successfully, users can download the zip file immediately, or access the URL within the next 24 hours. An index file identifying each RFQ will be included in the zip file, and as well as in the email to the user.

User Profile: A profile of your company is necessary to obtain notices of new solicitations, provide on line quotes and to verify your company Automated Best Value System score. Once the profile is completed, it may be several days before an ID number is provided. The ID number is key to accessing and inputting information. Complete the profile as soon as you have your CAGE code and are CCR registered.

RFQ search: Enables a search for open RFQs by various methods, including Federal Supply Class (FSC), NSN, RFQ number, item description and issue/closing dates. Multiple items are reflected in results and can be individually selected and reviewed.

Collective Download: Another direct means of searching for RFQs by FSC. The search can be tailored to recent time frames, the type of solicitation issued and the location issuing the solicitation. Using the FSC provides listings for all items within an FSC for the specified period time. From there, each item can be individually selected and reviewed.

FedBizOpps <http://FedBizOpps.gov>

FedBizOpps (FBO) - is a government point-of-entry (GPE) for Federal government procurement opportunities over \$25,000. Government buyers are required to publicize their business opportunities by posting information directly to FedBizOpps via the Internet.

Vendors do not need a user ID or password to access the system. A user's manual for Vendors is available on the website. To access the manual from the homepage:

- Click on “FedBizOpps Vendor”
- Click on “FBO Vendors Guide”

FedBizOpps provides two ways to find solicitations - a drill down via the list of agencies or via the field search. To locate a specific solicitation without the solicitation number you need to search other unique attributes of that solicitation. This could include a combination of: Agency, office, posted date, procurement classification code, and/or archived versus active status.

When you have as much information as possible you will want to search for the solicitation by:

- Start at <http://www1.eps.gov/>
- Click on “FedBizOpps Vendors”
- Initiate drill down through your target agency OR
- Click on “Find Business Opportunity”
- Specify all the information you have available
- Proceed to search for the solicitation by clicking the “start search”.

A service of the FedBizOpps allows vendors to register to receive emails notifying the Vendor of the following:

- All notices for a particular solicitation number.
- All notices from selected organizations and product service classifications.
- All procurement notices.

From the FedBizOpps home page:

- Click on "Vendor Notification Service" on right-hand side of page under “Related Links.”
- Click on the subscription option desired and follow the instructions.

***Disclaimer:** This service is provided for convenience only and does not serve as a guarantee of notification. Subscribers to this list service are ultimately responsible for reviewing the Federal Business Opportunities site for all information relevant to desired acquisitions.*

DoD EMALL <https://email.prod.dodonline.net/scripts/EMlogon.asp>

DoD EMALL is an electronic shopping mall that allows military and government customers to search for, and order, “off-the-shelf” finished items from the commercial marketplace. DoD EMALL currently has 143 commercial catalogs; 81 of those are small businesses.

DoD EMALL not only offers small businesses an avenue to sell to the military and government customer but also provides an opportunity for fantastic business growth, and does not require any additional overhead costs. A variety of contractual vehicles are available for the small business. Products are purchased by Government Purchase Card or fund code depending on the contract type. Besides a large, ready-made customer base, DoD EMALL provides a supportive, knowledgeable team to help guide small businesses in developing, hosting and maintaining their Catalogs.

DoD EMALL has the ability to host regional, nation-wide, or worldwide catalogs. The Supplier may use the National Stock Number (NSN), commercial part number or Universal Product Code (UPC) to identify their catalog items. The catalogs can be designed so that when a customer inputs their zip code or Department of Defense Automatic Address Code (DoDAAC), the regional pricing feature adjusts the product-shipping price according to the customer's location. Catalogs may also be set up for tiered pricing for volume discounts.

To help our military and government customers become aware of a new supplier, the DoD EMALL Welcome page features a "Supplier of the Week" that provides information about a supplier and their products. A "Supplier Support" page contains information of interest to the supplier such as Supplier Conferences being planned, how suppliers may enhance their catalogs with illustrations, and highlighting the environmentally friendly products in their catalog. In addition, DoD EMALL suppliers and customers are supported by a world-class help desk that may be contacted for assistance.

For information on how to become a DoD EMALL Supplier, contact the DoD EMALL Help Desk at (888) 352-9333 Option 2 or visit the Supplier's Corner at www.emall.dla.mil.

NOTE: All EMALL Suppliers must be registered in the Central Contractor Registration (CCR) system. You may register online at <http://www.ccr.dlsc.dla.mil>.

DIBBS - DLA-BSM Internet Bid Board System <https://www.dibbs.bsm.dla.mil/>
DIBBS is a web-based application that provides the capability to search for, view, and submit secure quotes on Requests For Quotations (RFQs) for items of supply included in the DLA Business System Modernization (BSM) Program. DIBBS also allows users to search and view Request For Proposals (RFPs), Invitations For Bid (IFBs), Awards and other procurement information related to BSM.

Registration is required to receive a login account and password to conduct transactions over the restricted portions of BSM DIBBS (e.g., submitting electronic quotes on RFQs) and to register email addresses for solicitation and award notification on BSM items. Detailed system requirements and instructions for registration can be found on the BSM DIBBS home page at <https://www.dibbs.bsm.dla.mil/>. Primary registration steps are as follows:

- On the BSM DIBBS Home Page, click the **VENDOR REGISTRATION** link to begin the process.

- A CAGE's registration will be processed immediately. A User ID will appear on the registration screen, and a password will be sent separately to the email address of the identified Super User. If a CAGE is already registered on BSM DIBBS, the name and email address of the Super User will be provided. The Super User should be contacted to set up additional accounts, logons, and passwords for their CAGE.

What is a Super User? The vendor representative initiating the BSM DIBBS registration process has the option to designate a representative as the Super User, accept their CCR registration Point of Contact (POC) as the Super User, or designate himself/herself to act as the Super User for the CAGE. The Super User is the individual who controls the BSM DIBBS account and has the ability to change the following:

- The BSM DIBBS password.
- Vendor Profile: Update company representations and certifications, BSM DIBBS defaults, email accounts, and other business information.
- User(s) Account Profile: Add/Delete users, modify user accounts, and change passwords.

Our suppliers are integral to the success of BSM. You are key players in meeting our customers' requirements. By being informed and aware of these changes, we can work together to ensure that the soldiers, sailors, airmen, and marines, have the right item at the right time and at the right place. There is a Supplier Resource Information Center at: <http://www.dla.mil/j-6/bsm/sirc/>

ACQUISITION PROCESS

IX. ACQUISITION PROCESS

TYPE OF CONTRACT FAR Part 16

There is a wide selection of contract types available to DLA in order to provide needed flexibility in acquiring the large variety and volume of supplies required by the military services.

Contract types vary according to:

- The degree and timing of the responsibility assumed by the contractor for the costs of performance; and
- The amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

Contract types are grouped into two broad categories:

- fixed-price contracts, and
- cost-reimbursement contracts.

The specific contract types range from firm-fixed price, in which the contractor has full responsibility for the performance costs and resulting profit (or Loss), to cost-plus-fixed-fee, in which the contractor has minimal responsibility for the performance costs and the negotiated fee (profit) is fixed. In between are the various incentive contracts in which the contractor's responsibility for the performance costs and the profit or fee incentives offered are tailored to the uncertainties involved in contract performance.

FIXED PRICE CONTRACTS

Fixed-price types of contracts provide for a firm price, or, in appropriate cases, an adjustable price. Fixed-price contracts providing for an adjustable price may include a ceiling price, a target price (including target cost), or both. Unless otherwise specified in the contract, the ceiling price or target price is subject to adjustment or the revision of the contract price under stated circumstances. The contracting officer shall use firm-fixed-price or fixed-price with economic price adjustment contracts when acquiring commercial items.

A firm fixed-priced contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon contracting parties.

FIRM FIXED PRICE (FFP) CONTRACT - Contract price is the price bid, with no incentives or fees added. Cost responsibility is placed wholly on the contractor. The preferred type when cost risk is minimal, or can be predicted with an acceptable degree of certainty.

FIRM FIXED-PRICE (FFP) LEVEL OF EFFORT TERM CONTRACT - The contractor is required to devote a specified level of effort over a stated period of time for a fixed dollar amount. Usually found in the contracts for investigation or study in a specific research and development area.

FIRM FIXED-PRICE (FFP) MATERIALS REIMBURSEMENT TYPE CONTRACT - Used in purchase of repair and overhaul services to provide a firm fixed-price for services with reimbursement for cost of materials used.

FIXED-PRICE CONTRACT WITH ECONOMIC PRICE ADJUSTMENT - Use is appropriate to protect both the Government and the contractor when there is serious doubt about the stability of labor or material prices during the life of the contract. Price adjustment provisions can provide for both upward and downward adjustments.

FIXED PRICE CONTRACTS - There are several types designed to facilitate proper pricing under varying conditions. Provides for a firm price, or under appropriate circumstances may provide for an adjustable price. Places relatively more cost responsibility on the contractor than on the Government, and makes profit a function of the contractor's ability to manage.

FIXED PRICE INCENTIVE CONTRACTS - A fixed-price type contract with provisions for adjustment of profit and establishment of the final contract price by a formula based on the relationship which final negotiated total cost bears to total target costs.

FIXED-PRICE RE-DETERMINABLE - If prospective; provides for a firm fixed-price for an initial period of contract performance, and for prospective re-determination, upward or downward, as stated times during the performance of the contract. If retroactive; provides for a ceiling price and retroactive price re-determination after completion of the contract.

COST REIMBURSEMENT CONTRACTS

Cost-reimbursement type of contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. The contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at own risk) without the approval of the contracting officer.

Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.

COST-PLUS-A-FIXED-FEE (CPFF) CONTRACT - Contractor's costs responsibility is minimized, Government's cost responsibility is maximized. The contractor is reimbursed for allowable, allocable costs. Contractor's profit is fixed. Price of the contract (total amount paid to the contractor) is not fixed.

COST-PLUS-AWARD-FEE (CPAF) CONTRACT - A cost reimbursement type contract with special fee provisions. It provides a means of applying incentives in contracts which are not susceptible to finite measurements of performance necessary for structuring incentive contracts. The fee is in two parts; a fixed amount unrelated to performance, and an award amount related to a subjective judgment of the quality of the contractor's performance.

COST-REIMBURSEMENT TYPE CONTRACT - There are several types. They provide for the payment to the contractor of allowable costs incurred in the performance of the contract to the extent prescribed in the contract.

INCENTIVE CONTRACTS

Incentive contracts are appropriate when a firm-fixed-price contract is not appropriate and the required supplies or services can be acquired at lower costs, and in certain instances, with improved delivery or technical performance, by relating the amount of profit or fee payable under the contract to the contractor's performance. Incentive contracts are designed to obtain specific acquisition objectives by:

- Establishing reasonable and attainable targets that are clearly communicated to the contractor; and
- Including appropriate incentive arrangements designed to
 - a) motivate contractor efforts that might not otherwise be emphasized; and
 - b) discourage contractor inefficiency and waste.

COST-PLUS-INCENTIVE-FEE (CPIF) CONTRACT - A cost-reimbursement type contract with provision for a fee which is adjusted by formula in accordance with the relationship which total allowable costs bear to target cost.

INDEFINITE DELIVERY CONTRACTS

There are three types of indefinite-delivery contracts: definite-quantity contracts, requirements contracts, and indefinite-quantity contracts. The appropriate type of indefinite-delivery contract may be used to acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. These are also called delivery order contracts or task order contracts.

INDEFINITE DELIVERY TYPE CONTRACT - There are several types designed for use when the exact time of delivery is not known.

INDEFINITE QUANTITY CONTRACT - Provides for furnishing of an indefinite quantity, within stated limits, of specified supplies or services, during a specified contract period, with deliveries to be scheduled by the timely placement of orders upon the contractor.

REQUIREMENTS CONTRACT - An indefinite delivery type contract that provides for filling all actual purchase requirements of specific supplies or services of designated activities during a specified contract period with deliveries to be scheduled by the timely placement of orders upon the contractor.

TIME AND MATERIALS CONTRACTS

A time and materials contract may be used only when it is not possible at the time of placing the contract to estimate accurately the extent or duration of the work or to anticipate costs with any reasonable degree of confidence.

This type of contract provides no positive profit incentive to the contractor for the cost control or labor efficiency. Therefore, appropriate Government surveillance of contractor performance is

required to give reasonable assurance that efficient methods and effective cost controls are being used.

LABOR HOUR CONTRACTS

A labor-hour contract is a variation of the time-and-materials contract, differing only in that materials are not supplied by the contractor.

SOLICITATION FAR Part 2

A solicitation is any request to submit offers or quotations to the Government.

- Solicitations under Simplified Acquisition procedures may require submission of either a quotation or an offer.
- Solicitations under Sealed Bid procedures are called "invitations for bids."
- Solicitations under competitive or Negotiated procedures are called "requests for proposals."

"Offer" means a response to a solicitation that, if accepted, would bind the offeror to perform the resultant contract. Responses to invitations for bids (sealed bidding) are offers called "bids" or "sealed bids"; responses to requests for proposals (negotiation) are offers called "proposals".

Exception: Responses to requests for quotations (simplified acquisitions) are "quotations," not offers.

RFQ vs RFP

RFQ or Request for Quotation are used in simplified acquisitions. A quotation is not an offer and, consequently, cannot be accepted by the Government to form a binding contract. Therefore, issuance by the Government of an order in response to a supplier's quotation does not establish a contract. The order is an offer by the Government to the supplier to buy certain supplies or services upon specified terms and conditions. A contract is established when the supplier accepts the offer.

Requests for proposals (RFPs) are used in negotiated acquisitions to communicate Government requirements to prospective contractors and to solicit proposals. RFPs for competitive acquisitions will, at a minimum, describe the:

- (1) Government's requirement;
- (2) Anticipated terms and conditions that will apply to the contract;
- (3) Information required to be in the offeror's proposal; and
- (4) Factors and significant subfactors that will be used to evaluate the proposal and their relative importance.

METHODS OF PROCUREMENT

Simplified Acquisition FAR Part 13

The threshold for simplified acquisitions is \$100,000. The purpose of simplified acquisitions is to use simplified procedures to:

- (a) Reduce administrative costs;

- (b) Improve opportunities for small business concerns to obtain a fair proportion of Government contracts;
- (c) Promote efficiency and economy in contracting; and
- (d) Avoid unnecessary burdens for agencies and contractors.

Some of the procurement methods under simplified acquisition procedures are Purchase Orders, Micro-Purchases, and Blanket Purchasing Agreements.

A Purchase Order, when issued by the Government, means an offer by the Government to buy supplies or services, including construction and research and development, upon specified terms and conditions, using simplified acquisition procedures. Purchase orders generally are issued on a fixed-price basis. They specify the quantity of supplies or scope of services ordered; contain a determinable date by which delivery of the supplies or performance of the services is required; and, unless a special situation exists, the Government shall inspect contracts at or below the simplified acquisition threshold at destination for type and kind; quantity; damage; operability (if readily determinable); and preservation, packaging, packing, and marking, if applicable.

Micro-purchases are acquisitions of supplies or services, the aggregate amount of which does not exceed the micro-purchase threshold. The Government commercial purchase (credit) card is the preferred method to purchase and to pay for micro-purchases. Micro-purchase threshold means \$2,500, except (1) \$2,000 for construction subject to the Davis-Bacon Act; and (2) \$15,000 for acquisitions by or for the Department of Defense facilitating the defense against terrorism or biological or chemical attack as described in 13.201(g), except for construction subject to the Davis-Bacon Act. (The Davis-Bacon Act states that contracts in excess of \$2,000 to which the United States or the District of Columbia is a party for construction, alteration, or repair of public buildings or public works within the United States, shall contain a clause that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rates.)

A blanket purchase agreement (BPA) is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply. Contracting Officers may establish BPAs when there is a wide variety of items in a broad class of supplies or services that are generally purchased, but the exact items, quantities and delivery requirements are not known in advance. A BPA must be in place before vendors are permitted to submit quotes electronically. A BPA is an agreement and not a contract. The Government is neither financially nor contractually obligated to place calls against an established BPA.

A BPA is designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase orders. The BPA is established for a specified period of time, and if performance is satisfactory, it is automatically renewed for the next specified period of time. The period of time that a BPA is established may vary and is dependent on the contracting office procedures, industry, and commodities. The agreements are reviewed annually to assure contractor conformance to the terms and conditions of the agreement and satisfactory performance, as well as to update clauses. This contracting type provides for long-term coverage for small, repetitive buys that can be extended indefinitely. When the BPA is combined with electronic transmission, greater efficiency is realized.

A basic ordering agreement (BOA) is a written instrument of understanding, negotiated between an agency, contracting activity, or contracting office and a contractor. A BOA may be used to expedite contracting for uncertain requirements for supplies or services when specific items, quantities, and prices are not known at the time the agreement is executed, but a substantial number of requirements for the type of supplies or services covered by the agreement are anticipated to be purchased from the contractor.

Limitations. A basic ordering agreement shall not state or imply any agreement by the Government to place future contracts or orders with the contractor or be used in any manner to restrict competition.

Sealed Bidding FAR Part 14

Purchases over \$100,000 are made by sealed bidding, by competitive proposals (negotiation), or (in unusual circumstances) by other-than-competitive procedures.

Contracting officers shall solicit sealed bids if --

- (1) Time permits the solicitation, submission, and evaluation of sealed bids;
- (2) The award will be made on the basis of price and other price-related factors;
- (3) It is not necessary to conduct discussions with the responding offerors about their bids; and
- (4) There is a reasonable expectation of receiving more than one sealed bid.

It is a method of contracting that employs competitive bids, public opening of bids, and awards. Procurement by sealed bidding begins with the issuance of an invitation for bids (IFB) containing all the information bidders need to respond. The IFB states the needs of the purchasing activity and defines the work in sufficient detail to permit all bidders to compete on the same basis. It also identifies all factors to be considered in evaluating the bids. A standard form is provided on which bids are submitted, and a specific time is set for bid opening. The opening is held in public (you can attend), and the contract is awarded to that responsible bidder whose bid offers the best value to the Government, considering only price and the price-related factors included in the invitation. No discussions are allowed under sealed bidding procedures.

Contracting by Negotiation FAR Part 15

A contract awarded using other than sealed bidding procedures is a negotiated contract. It allows flexibility in defining the exact requirement or the terms and conditions of the procurement. The purchasing office issues a request for proposals (RFP). RFPs communicate the Government requirements to prospective contractors and solicit proposals. After reviewing the proposals received, the contracting officer ordinarily will negotiate with those contractors that have submitted acceptable proposals (NOTE: a contract can be awarded without discussions), seeking the most advantageous best value contract for the Government.

Proposal Requirements and Preparation Instructions

Proposal preparation instructions are set forth in the solicitation. These instructions tell the offerors what information to submit to the Government for evaluation and give specific details of how the information should be submitted. It is important that you adhere to the instructions!

Solicitation Forms

There are different forms used in the federal government acquisition process. The Standard Form 33 (SF33), *Solicitation, Offer and Award*, is used in soliciting bids and awarding contracts that result from the bids, and with the solicitation for proposals and award of negotiated contracts. The Standard Form 1449 (SF1449), *Solicitation/Contract/Order for Commercial Items*, is used in soliciting bids and awarding negotiated contracts for commercial items.

Understanding The Solicitation Form

Although the majority of the solicitations will result in contracts under \$25,000 and the format will be simpler, here is a method to use to read through a solicitation properly. The example given, the SF33, is a government form that you will see on many contracts greater than \$25,000.

Block 1: *This indicates if the contract is a rated order*: A rated contract, i.e., order, is one that has a specific classification for how “hot” the item on contract is. (see Defense Priorities and Allocations System)

Tip: ***Page 1 of ##*** : Check page numbers to see if there are any missing. If Yes, call immediately since you can not submit a good bid/offer if there is a page or section missing. These types of errors may occur and it is ***up to you*** to catch them.

Block 2: *Contract Number*: This is the block that will contain the number assigned by the buying activity at the time of contract award. The number looks the same as the one in Block 3, the Solicitation Number, but it will have a “C” instead of an “R” or “Q” in the number.

Block 3: *Solicitation Number*: This is the number that is used to identify the solicitation. It is assigned by the buying activity before issuing.

Block 4: *Type of Solicitation*: This block will identify if this is a Sealed Bid/Invitation for Bid (IFB) or a Request for Proposal (RFP).

Block 5: *Date Issued*: This is the date that this solicitation “hit the street” and became a live requirement.

Block 6: *Requisition/Purchase Number*: This is an internal document number used to track the item or service to be purchased. This is the original number for that “need.” There might be multiple requisition numbers included in a solicitation. Look at it as a document control number, generated by the people that need the item(s) being bought.

Block 7: *Issued by*: This block identifies the buying office that is issuing the solicitation and awarding the contract. NOTE: you might be dealing with a buying office that is located very far from the actual end user.

Block 8: *Address offer To*: This block will give you the address of where to send the offer. It is usually the same as the issuing office in Block 7.

Block 9: *Additional info:* This block will tell you the number of additional copies of the offer needed. It tells you where to bring the offer if you choose to hand carry it. This block will also tell you when you need to get the bid in, “time and date.”

Tip: If the solicitation requires that a bid be there at 10:00 p.m. on Thursday the 25th day of July, and it shows up at 10:01 p.m., it can be considered nonresponsive and not be considered! It is Your Responsibility to have your bid there on time and on the right date... the bidder has the responsibility to communicate the bid to the correct person, at the correct address, at the proper time, which is no later than the end of the minute specified for bid opening.

Block 10: *For information call:* (a) this block identifies the person that you will contact for information on this specific bid/proposal. (b) the person's phone number, and (c) their e-mail address, if given.

Block 11: *Table of Contents:* This area will tell you what Sections apply to this solicitation and on what page the section begins. The sections that apply will have an "x" in the first column.

Tip: Check out Section M: “Evaluation Factors for Award.” It will tell you what and how they will evaluate/weight factors for award. If you are deficient in a certain area, fix or correct it *before* you send in the solicitation.

Block 12: *Acceptance Period:* This block will give you the opportunity to mark how long this bid is good for. If you don't put in a specific number, it will default to 60 days.

Tip: If you put in too long an acceptance period, you should protect yourself from price increases from your suppliers. Be competitive but watch your limits.

Block 13: *Discounts for Prompt Payment:* This Block is where you will put the size of the discount, if any, that you will give the government if they pay PROMPTLY. Don't feel obligated to offer one just because you are dealing with the government. It is not used in evaluating the offers.

Tip: The government passed the Prompt Payment Act in the mid 1980's. The Act states that the government MUST pay you within 30 days, if you are a small business, and if you completed your invoice properly.

Block 14: *Acknowledgements of Amendments:* In this block you will let the buyer know that you have received all the amendments that they sent out. If they mailed out four and you only list three, they can throw out your bid as non-responsive, if the omitted amendment impacts on the material aspects of the solicitation.

Block 15a: *Name and Address of offeror:* This is where you put your company name, address and in the little box marked “code” your Cage Code, and if you have one, a “facility code.” This is the code to identify where the item(s) will be produced if different from the CAGE code.

Block 15b: *Telephone number:* Your telephone number.

Block 15c: *Remittance address*: If there is a different address for the government to send the check for payment, mark this box and on the schedule list the address. (incidentally, the government now pays only by electronic fund transfer EFT).

Block 16: *Name and Title of Person Authorized to sign offer*: This is the block where you put the name and title of the person that is “authorized” to sign offers for your company. Please don’t have someone sign the offer if they are not listed in CCR (Central Contractor Registration) as the “authorized signor”. You can and will lose if you do this.

Block 17: *Signature*: This is where the authorized person signs the offer.

Tip: More offers have been rejected for no signature than you can believe. Don’t forget to “sign the offer”!!

Block 18: *Offer Date*: This is the date you signed the offer.

Award (to be completed by the Government)

Tip: If the SF33 comes back in the mail and the following information is filled out, you won the contract! Don’t put it in your briefcase and forget about it. Start working on it...you are now a Prime Contractor!

Block 19: *Accepted as to items numbered*: This will be the contract line item numbers that you have been awarded.

Block 20: *Amount*: This is the dollar amount of the contract.

Block 21: *Accounting and Appropriation*: This is agency information that will tell them what accounts and appropriation covers this purchase.

Block 22: *Authority for Using Other Than Full and Open Competition*: The government fills this in, don't worry about it.

Block 23: *Submit invoice to address shown in: Item: ##*

Block 24: *Administered by*: This is the office that will administer the contract (ACO), which might be different from the buying office (PCO).

Block 25: *Payment will be made by*: This is the paying office, where your money is coming from.

Block 26: *Name of the Contracting Officer*: This is the typed name of the Procurement Contracting Officer (PCO). You will see this person's name only if you win the contract.

Block 27: United States of America: This is the block where the PCO will sign their name. This makes you a prime contractor who now has an active Government Contract.

Block 28: Award Date: The actual date of the award. The date the PCO signed the contract.

Some Terms on Solicitations

FOB Destination – Shipping costs to cover freight to destination in unit price.

FOB Origin – Shipping costs prepaid and added to bill later – not in unit price.

Fast Pay – Payment made based on receipt of invoice (see Contract Administration).

Non-Fast Pay – Payment made based on receipt of a signed DD Form 250, *Material Inspection and Receiving Report*, after Government acceptance. Payment will not be made until a completed DD Form 250 is received by the Government. The form shall reflect that a duly authorized Government representative has inspected and accepted the supplies or has otherwise authorized acceptance.

Inspection and Acceptance –

When *Origin Inspection and Acceptance* is specified, inspection will be made at the point of shipment. The DD Form 250 shall reflect the signature of a Government Quality Assurance Representative (QAR).

When *Destination Inspection and Acceptance* is specified, inspection will be made at point of receipt. The DD Form 250 shall reflect the signature of the Government consignee's representative.

When *Origin Inspection and Destination Acceptance* is specified in the award, the DD Form 250 shall reflect the signatures of both the Government QAR and the Government consignee's representative.

Reading The Solicitation

Now that you understand the solicitation form, let's look at how to read the solicitation to get the best understanding of what it is the government wants and how they will evaluate each offer.

Reading from page one to the end is one way, but not the best. If it is a small solicitation this method may be O.K. If the solicitation uses the SF 33, then you need to read the solicitation by reading related parts together starting with **Section B**, Supplies or Services and Prices/Costs, and **Section L**, Instructions, Conditions and Notices to Offerors. This reading will give you a good understanding of what the government wants and if you meet the requirements.

Read through **Section L** again, but this time in conjunction with **Section M**, Evaluation Factors For Award. This will give you an understanding of the factors that will be used in the evaluation process. Do you see a problem? Are you lacking in some areas? Can you fix it and still make an offer?

Determine the general and specific requirements of the solicitation by reading **Section C**, Descriptions/Specifications/Work Statement, and **Section J**, List of Attachments. Carefully review the specifications. You must be able to meet them. Remember, Section C contains general requirements while Section J contains specific requirements that may supersede statements in Section C.







The next areas to read are **Sections I, H, D, E, F** and **G**. These six sections provide all the technical requirements that pertain to the awarded contract. Be careful with the packaging requirements. These can be expensive depending on the level. Government packaging can be different from the commercial packaging so it may be wise to contact a person who is familiar with government packaging.

Finally, read **Section K**, Representations, Certifications and Other Statements of Offerors. Here is where you must check the appropriate answer to the questions asked and learn of specific conditions exerted on you if you win the contract. If you object to any of these, don't submit an offer!

DIBBS - DLA-BSM Internet Bid Board System

As stated earlier, DIBBS is a web-based application that provides the capability to search for, view, and submit secure quotes on Requests For Quotations (RFQs) for items of supply included in the DLA Business System Modernization (BSM) Program. DIBBS also allows users to search and view Request For Proposals (RFPs), Invitations For Bid (IFBs), Awards and other procurement information related to BSM.

ICON Guide

	By clicking, you can quote on a solicitation
	There is a drawing available for the NSN (click to access the drawing)
	There is a specification or standard available for download (click to access)
	This solicitation is set-aside for small business participation <u>only</u>
	This is a Fast Award candidate - Quotes \$2,500 or less may be awarded prior to the solicitation return date (as soon as 4 days after issue date)
	Indefinite Delivery Purchase Order (up to 2 years and \$100K)

Requests for Quotation (RFQ) Database Search Criteria

- Federal Supply Classification (FSC): The first four digits of an NSN identifying the group and class of an item (e.g., 5905).

- National Stock Number (NSN): A 13-digit number consisting of the FSC for the item followed by a nine-digit identification number. This number is used to label and categorize each item that is stocked.
- Solicitation Number: A 13-position alpha/numeric document identification number used to communicate government requirements to -prospective contractors.
- Purchase Request Number: A 10-position numeric document identification number, which describes the required supplies so that procurement can be initiated.
- Nomenclature: The basic noun designation by which an item is commonly known (e.g., filter element, fluid).
- Approved Part Number (P/N): This search is for approved part numbers on NSN buys described by manufacturer's CAGE and part numbers.
- Approved CAGE: Searches are approved for CAGES on NSN buys described by the manufacturer's CAGE and part number.

Quote Submission - Batch Quoting

Batch quoting allows quotes from the DLA BSM Request for Quotations to be batch uploaded. Quotes are prepared offline in a prescribed, comma delimited format that can be uploaded via the Internet.

Submitting Web Form Quotes

- Users must be registered and logged into BSM DIBBS in order to submit quotes.
- After locating a solicitation using the RFQ Search, click on the *Quote* button. Users not logged on at this point will be prompted to do so.
- After completing the quote form and reviewing the synopsis for accuracy, click *Submit*.
- Users will receive a message indicating that the submission was "Successful" or "Unsuccessful."
- Submitted quotes may be viewed until the contract is awarded/cancelled. Revisions to quotes submitted on behalf of a CAGE will overlay previously submitted quotes for the same requirement.

Quoting Input Assistance

Complete Quote Input Form as specified. For assistance with completing Price Data, Product Offered Representation, or Contract Representation, visit one of the following Web sites:

- Federal Acquisition Regulation:
 - <http://www.arnet.gov/far>
- Code of Federal Regulations:
 - <http://www.gpoaccess.gov/cfr>
- Small Business Representation:
 - <http://www.sba.gov/businessop/basics/identify.html>
- Defense Logistics Acquisition Directive:
 - <http://farsite.hill.af.mil/reghtml/regs/other/dlad/dlad1toc.htm>
- Defense Federal Acquisition Regulations Supplement:
 - <http://www.acq.osd.mil/dpap/dfars>

For BSM DIBBS assistance, either Email: DibbsBSM@dla.mil or go to: <https://www.dibbs.bsm.dla.mil>. Click on *Help* and/or *Frequently asked Questions*.

Defense Priorities and Allocations System (DPAS) FAR Subpart 11.6

As stated, Block 1 of the solicitation will indicate if the contract is a “rated order.” A rated order means a prime contract for any product, service, or material which require preferential treatment, and includes subcontracts and purchase orders resulting under such contracts. DoD solicitations may be rated orders certified for national defense use, and the Contractor must follow all the requirements of the Defense Priorities and Allocations System (DPAS) regulation.

The DPAS provides that DoD contracts are assigned priority ratings to assure that these contracts are afforded production priorities for delivery ahead of unrated orders which includes commercial orders. Ratings are assigned to DoD contracts and enforced in both peacetime and war or emergencies. The contractor is obligated to accept the rated order, to schedule production operations to satisfy delivery requirements of each rated order, and to extend the priority rating to suppliers to assure that the item is delivered in the timeframe requested.

(a) There are two levels of priority for rated orders established by the DPAS, identified by the rating symbols "DO" and "DX." All DO rated orders have equal priority with each other and take preference over unrated orders (including commercial orders). All DX rated orders have equal priority with each other and take preference over DO rated and unrated orders. DX ratings are used for special defense programs designated by the President to be of the highest national priority.

FAR 11.604 -- Solicitation Provision and Contract Clause.

(a) Contracting officers shall insert the provision at FAR 52.211-14, Notice of Priority Rating for National Defense Use, in solicitations when the contract to be awarded will be a rated order.

(b) Contracting officers shall insert the clause at FAR 52.211-15, Defense Priority and Allocation Requirements, in contracts that are rated orders.

TYPES OF ITEM DESCRIPTIONS

Drawings/Specifications/Standards

DoD has exact specifications for many (Not All) of the products and services it buys repeatedly. The specifications contain descriptions of the technical and other requirements established for the supplies or services the Government is procuring. There are three basic types of specifications. In practice, it is rare to find specifications that fit completely into one of these categories, as most specifications contain a combination of requirements. These requirements are:

- Performance specifications – contain performance characteristics desired for the item.
Examples:
 - The radio must operate over a 40-mile radius.
 - The floor must be free of stains, spots, and streaks.

- Design specifications – contain precise measurements, tolerances, materials, in-process and finished-product tests, quality control and inspection requirements, and other detailed information for manufactured items. The information furnished is sufficiently detailed to ensure that all items manufactured to the specifications are the same.

Example:

- Detailed manufacturing drawings.
- Purchase order descriptions – the specifications identify the item by a brand name with the optional use of an “or equal” statement to allow competition.

Specifications may also be a narrative description of what the output should look like when it is completed. This is true for many janitorial contracts.

Specifications are comprehensive descriptions of the technical requirements for material, equipment, and services. In addition to its specifications, DoD uses standards that establish the engineering and technical limitations and applications of items, materials, processes, methods, and engineering practices. Standards are used to ensure maximum uniformity in materials and equipment and to foster interchangeability of parts used in these products. Standards may be separately stated in a description of a need, but frequently they are also included in military specifications. Though use of Military specifications and standards continues within DoD, there is an emphasis on maximizing the utilization of commercial specifications and standards whenever practicable.

ASSIST – Acquisition Streamlining and Standardization Information System

The Defense Logistics Agency prefers to provide complete technical data packages with their Solicitations. However, many DLA acquisitions are accomplished using only the manufacturer’s name and part number, due to DLA not having the technical data.

There are a variety of reasons why DLA does not have the technical data. The most prevalent reason is proprietary designation. Most of the parts we buy today are financed and developed by private industry. Therefore, we have no control or right to use such data for procurement purposes and, in most cases, the cost of purchasing this data far exceeds any savings that may be realized through competition.

For access to specifications the Department of Defense (DoD) is able to provide, go to ASSIST – Acquisition Streamlining and Standardization Information System. ASSIST-Online is a comprehensive web site providing access to current information associated with military and federal specifications and standards in the management of the Defense Standardization Program. It provides public access to standardization documents over the internet and is the official source of DoD specifications and standards.

All persons are required to register for an ASSIST-Online user account in order to access the system. For more information About ASSIST-Online and to register, go to:

<http://assist.daps.dla.mil/online/faqs/overview.cfm>

The Defense Logistics Agency provides drawings or “bids” for contractors use in bidding on currently open Solicitations. A bidset is a collection of engineering technical data which has been determined as technically adequate for the manufacturing of an item of supply in a fully competitive procurement environment. A bidset is defined by an associated National Stock Number (NSN). As noted, not all NSN's or items managed by DLA have bidsets. For information on obtaining a bidset on an open Solicitation at Defense Supply Center Richmond (DSCR), go to the DSCR Bidset Request Web Site: <https://ric1s-c025.dscr.dla.mil/tdmd/intro.htm>. For Defense Supply Center Columbus (DSCC) drawings related to a Solicitation, go to: <http://www.dsc.c.dla.mil/Programs/MilSpec/>. For Defense Supply Center Philadelphia (DSCP) drawings related to a Solicitation, go to: http://www.dscp.dla.mil/gi/prod_services/ and <http://abiweb.dscp.dla.mil/abi/>.

Part Numbered Items - For most parts numbered items, DLA does not have the Technical Specifications and Drawings. They are owned by the original equipment manufacturer (OEM). What we can offer you is the opportunity to use the DLA Replenishment Parts Purchase or Borrow (RPPOB) Program. This program provides domestic business concerns an opportunity to purchase, borrow, or view replenishment parts for the purpose of:

1. Design replication product improvement or modification and alternate sourcing through product identification or reverse engineering practices.
2. Development of data package and submission to obtain approval to sell like parts to the Government.
3. Enhancement of competition with resultant cost reduction by obtaining alternative sources of supply and manufacturing.

Instructions on the RPPOB Program may be obtained on the DLA web site:

<http://www.dlaps.hq.dla.mil/dlai/i4140.67.htm>

Other Directives, Instructions, Manual and Regulations referred to in these instructions may be located through the web site:

<http://www.dlaps.hq.dla.mil/SR2.htm>

Qualified Products List/Qualified Manufacturers List FAR Subpart 9.201

Qualification is a process whereby a manufacturer demonstrates that his/her products, processes or materials will meet the specified military performance quality and reliability requirements.

The Qualified Products List (QPL) lists specific part numbers which the manufacturer has demonstrated a capability to manufacture reliably and in compliance with his/her own internal requirements and the military specifications.

"Qualified bidders list (QBL)" means a list of bidders who have had their products examined and tested and who have satisfied all applicable qualification requirements for that product or have otherwise satisfied all applicable qualification requirements.

"Qualified manufacturers list (QML)" means a list of manufacturers who have had their products examined and tested and who have satisfied all applicable qualification requirements for that product. The Qualified Manufacturers List lists the processes and materials each manufacturer has demonstrated a capability to manufacture reliably and in compliance with the manufacturer's requirements and the military specifications. Many different qualified products can be produced using the QML listed processes and materials.

Qualified Products Lists, Qualified Manufacturers Lists, and Qualified Bidders Lists FAR Subpart 9.203

(a) Qualification and listing in a QPL, QML, or QBL is the process by which products are obtained from manufacturers or distributors, examined and tested for compliance with specification requirements, or manufacturers or potential offerors, are provided an opportunity to demonstrate their abilities to meet the standards specified for qualification. The names of successful products, manufacturers, or potential offerors are included on lists evidencing their status. Generally, qualification is performed in advance and independently of any specific acquisition action. After qualification, the products, manufacturers, or potential offerors are included in a Federal or Military QPL, QML, or QBL.

(b) Specifications requiring a qualified product are included in the following publications:

(1) GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR 101-29.1.

(2) Department of Defense Index of Specifications and Standards.

(c) Instructions concerning qualification procedures are included in the following publications:

(1) Federal Standardization Manual, FSPM-0001.

(2) Defense Standardization Manual 4120.24-M, Appendix 2, as amended by Military Standards 961 and 962.

The GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR 101-29.1, and the Federal Standardization Manual, FSPM-0001 may be obtained from the addressee in FAR Subpart 11.201(d)(1):

General Services Administration
Federal Supply Service
Specifications Section
Suite 8100
470 L'Enfant Plaza, SW
Washington, DC 20407
Telephone (202) 619-8925.

The Department of Defense Index of Specifications and Standards, and the Defense Standardization Manual 4120.24-M, Appendix 2, as amended by Military Standards 961 and 962, may be obtained from the addressee in FAR Subpart 11.201(d)(2):

Department of Defense Single Stock Point (DoDSSP)
Building 4, Section D
700 Robbins Avenue

Philadelphia, PA 19111-5094
Telephone (215) 697-2667/2179

Critical Safety Items (CSIs)

A Critical Safety Item means a part, assembly, installation, or production system with one or more critical characteristics that, if not conforming to the design data or quality requirements, would result in an unsafe condition that could cause loss of, or serious damage to, the end item or major components, loss of control, or serious injury or death to personnel.

DLA, working with the Military Services, has focused more attention on items critical to military safety, particularly aviation. In order to improve the management of CSI, DLA issued new guidance on December 5, 2001, to contracting personnel, to clarify that awards for CSI items can only be made to firms identified in the Acquisition Item Description (AID). The AID identifies those firms that have received prior source approval from the cognizant Military Service's Engineering Support Activity (ESA). The requiring Military Service defines or specifies the technical requirements of the item being procured and maintains the accuracy of the AID.

First Article Testing FAR Subpart 9.3

Certain items, due to their critical nature, require a first article approval prior to production. First article testing ensures that the contractor can furnish a product that conforms to all contract requirements for acceptance.

First Article Testing may be used when:

- (a) The contractor has not previously furnished the item to the Government;
- (b) The contractor previously furnished the item to the Government, but --
 - (1) There have been subsequent changes in processes or specifications;
 - (2) Production has been discontinued for an extended period of time; or
 - (3) The product acquired under a previous contract developed a problem during its life;
- (c) The item is described by a performance specification; or
- (d) It is essential to have an approved first article to serve as a manufacturing standard.

You will see specific instructions in Section B, Supplies or Services and Prices/Costs, along with the specific contract clause in Section I of the solicitation for testing requirements. Testing, to be performed by either the Government or the Contractor, will be specified by the clause. For Example:

52.209-3 First Article Approval - Contractor Testing

- (a) The contractor shall test 2 unit(s) of lot/item 9999-00-999-9999 (the NSN) as specified in this contract. At least 30 calendar days before the beginning of first article tests, the contractor shall notify the Contracting Officer, in writing, of the time and location of the testing so that the Government may witness the tests.
- (b) The contractor shall submit the first article test report within 60 calendar days from the date of this contract to DSCR-J Post Award Branch, 8000 Jefferson Davis Highway... (address of the Government activity to receive the report)

marked 'First Article Test Report: Contract No ____ Lot/Item No 9999-00-999-9999'. Within 30 calendar days after DSCR receives the test report, the Contracting Officer shall notify the contractor, in writing, of the conditional approval, approval, or disapproval of the first article.

If contractor testing is cited, the vendor is required to price the cost of first article *separate* from the cost of the production lot, under an additive line item. The total cost of the production lot and the first article charge are combined for evaluation of price for award.

Contracts requiring first article are bilateral and the Vendor risks termination for default if his/her product fails to pass. Vendors should not manufacture production lots until first article is approved. Any action to do so is at the risk of the Vendor and may *not* be reimbursed by the Government if the product fails first article and the contract is cancelled.

EVALUATION

Proposal Evaluation FAR Subpart 15.305

The vision for the Federal Acquisition System is to deliver, on a timely basis, the best value product or service to the customer. This is accomplished by using contractors who have a track record of successful past performance or who demonstrate a current superior ability to perform a contract.

Proposal evaluation is an assessment of the proposal and the offeror's ability to perform the prospective contract successfully. DLA evaluates competitive proposals and then assesses their relative qualities solely on the factors and subfactors specified in the solicitation. Evaluations may be conducted using any rating method or combination of methods, and may include:

- *Cost or Price evaluation*
- *Past performance evaluation*
- *Technical/Quality evaluation*
- *Cost information*
- *Small business subcontracting evaluation*

The government will evaluate all proposals and, if discussions are to be conducted, will establish what is called a "competitive range." The competitive range is comprised of all of the most highly rated proposals. These discussions are undertaken with the intent of allowing the offeror to revise its proposal.

Source Selection FAR Subpart 15.3

The term "source selection" means the determination of which offer to award in a competitive environment. The goal of source selection is to award the offer which represents the best value to the Government through the evaluation of the differences inherent in the offers or offerors. The specific differences which will be evaluated are called the evaluation factors, while the way that these differences will be evaluated is called the scoring system or evaluation method.

All significant evaluation factors, including price, will be listed in the solicitation. In addition, the solicitation will indicate the relative importance of the factors. This may be accomplished

through a listing in descending order of importance, an adjectival description of importance (factor A is more important than factor B, factors B and C are equally important), or through a disclosure of the numerical weights assigned to the factors. These methods can be combined or factors can be grouped, e.g., "The following technical factors are listed in descending order of importance and in total are equal in importance to factor A."

Automated Best Value System

The Automated Best Value System (ABVS), formerly called the Automated Best Value Model, is a computerized system that collects a vendor's existing past performance data and translates it into a numeric score. The contracting officer then uses the score as an additional evaluation factor when making best value award decisions.

DLA assigns an ABVS score to each vendor based on the vendor's past performance. Vendors receive scores for performance in each Federal Supply Class (FSC scores). The FSC scores are based on DLA consolidated performance history. A vendor may have multiple FSC scores but will have only one DLA score, which is a compilation of the vendor's FSC scores for all business conducted with DLA.

The DLA system uses 24 months of past performance history as the standard rating period. Each monthly update includes data through the 5th of the month.

The delivery score is a combination of a vendor's delivery and quality scores and the scores range from zero to a perfect score of 100. If a vendor's score is less than 100, DLA provides the negative data that impacts that score. The delivery score reflects all lines shown as delinquent during the rating period. For administrative purposes, the delivery rating period excludes the most recent 60 days. For ABVS, delinquent lines represent shipments not shipped and/or received in their entirety by the contract delivery date.

The quality score reflects validated contractor caused product non-conformances/lab test failures and packaging non-conformances during the rating period. For administrative purposes, the rating period for quality excludes the most recent 30 days. The 30 and 60 day offset periods are not grace periods. Contractor caused discrepancies, regardless of corrective action, will be reflected in ABVS as an indicator of past performance. The repair, replacement or reimbursement of quality and packaging defects will not provide relief of negative ABVS data.

Buyers use ABVS as an additional evaluation factor in making best value award decisions. You should review your data carefully. Negative data affects your company's ABVS score.

Your negative performance data will be posted before it is reflected in the ABVS score (preview period), to give you an opportunity to review and verify data. Negative data must be challenged within the preview period to assure corrections are posted before it is included in the calculation of the score.

Check your data regularly! ABVS scoring is a continuous process, and while you may not have negative data this month, it could appear next month.

FSC scores are used when offers are evaluated. If a vendor does not have an FSC score in that particular federal supply class, a vendor's DLA score is used to evaluate its offer. The contracting officer may also consider the volume of business on which the FSC score is based as a measure of confidence in the score's indication of performance risk. He/she may choose to use the DLA score if he lacks confidence in the FSC score. The contracting officer also may use the DLA score if the FSC scores among offerors are relatively equal.

Past Performance

Past performance information is relevant information regarding a contractor's actions under previously awarded contracts. It includes, for example:

- The contractor's record of conforming to contract requirements and to standards of good workmanship;
- The contractor's record of forecasting and controlling costs;
- The contractor's adherence to contract schedules, including the administrative aspects of performance;
- The contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally,
- The contractor's business-like concern for the interest of the customer.

UNSUCCESSFUL OFFERORS

Notifications to Unsuccessful Offerors FAR Subpart 15.5.03

Preaward notices –

(1) *Preaward notices of exclusion from competitive range.* The contracting officer shall notify offerors promptly in writing when their proposals are excluded from the competitive range or otherwise eliminated from the competition. The notice shall state the basis for the determination and that a proposal revision will not be considered.

(2) *Preaward notices for small business programs.*

(i) In addition to the notice in paragraph (a)(1) of this section, the contracting officer shall notify each offeror in writing prior to award, upon completion of negotiations, determinations of responsibility, and, if necessary, the process in FAR19.304(d)-

(A) When using a small business set-aside (see FAR Subpart 19.5);

(B) When a small disadvantaged business concern receives a benefit based on its disadvantaged status (see FAR Subpart 19.11 and FAR 19.1202) and is the apparently successful offeror; or

(C) When using the HUBZone procedures in FAR19.1305 or FAR19.1307.

(ii) The notice shall state-

(A) The name and address of the apparently successful offeror;

(B) That the Government will not consider subsequent revisions of the offeror's proposal; and

(C) That no response is required unless a basis exists to challenge the small business size status, disadvantaged status or HUBZone status of the apparently successful offeror.

(iii) The notice is not required when the contracting officer determines in writing that the urgency of the requirement necessitates award without delay or when the contract is entered into under the 8(a) program (see FAR 19.805-2).

Postaward notices –

(1) Within 3 days after the date of contract award, the contracting officer shall provide written notification to each offeror whose proposal was in the competitive range but was not selected for award (10 U.S.C. 2305(b)(5) and 41 U.S.C. 253b(c)) or had not been previously notified under paragraph (a) of this section. The notice shall include --

- (i) The number of offerors solicited;
- (ii) The number of proposals received;
- (iii) The name and address of each offeror receiving an award;
- (iv) The items, quantities, and any stated unit prices of each award. If the number of items or other factors makes listing any stated unit prices impracticable at that time, only the total contract price need be furnished in the notice. However, the items, quantities, and any stated unit prices of each award shall be made publicly available, upon request; and
- (v) In general terms, the reason(s) the offeror's proposal was not accepted, unless the price information in paragraph (b)(1)(iv) of this section readily reveals the reason. In no event shall an offeror's cost breakdown, profit, overhead rates, trade secrets, manufacturing processes and techniques, or other confidential business information be disclosed to any other offeror.

Preaward and Postaward Debriefings FAR Subparts 15.505 and 15.506

When contracting by negotiation, if you receive notice that you were either excluded from the “competitive range” or were not awarded the contract, you have the right to request a Preaward Debriefing or a Postaward Debriefing. This is your opportunity to find out what you did right and/or wrong.

If you have been excluded from the competitive range, you may request a preaward debriefing OR postaward debriefing, not both, by submitting a written request for debriefing to the contracting officer within 3 days after receipt of the notice of exclusion from the competition.

(e) At a minimum, preaward debriefings shall include --

- (1) The agency's evaluation of significant elements in the offeror's proposal;
- (2) A summary of the rationale for eliminating the offeror from the competition; and
- (3) Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed in the process of eliminating the offeror from the competition.

(f) Preaward debriefings shall not disclose --

- (1) The number of offerors;
- (2) The identity of other offerors;
- (3) The content of other offerors proposals;
- (4) The ranking of other offerors;
- (5) The evaluation of other offerors; or
- (6) Any of the information prohibited in FAR15.506(e).

FAR 15.506(e) states:

(e) The debriefing shall not include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. Moreover, the debriefing shall not reveal any information prohibited from disclosure by FAR 24.202 or exempt from release under the Freedom of Information Act (5 U.S.C. 552).

If you receive notification that you were not selected for contract award, you may request a postaward debriefing by submitting a written request for debriefing to the contracting officer within 3 days after receipt of the notice.

- (d) At a minimum, the debriefing information shall include --
- (1) The Government's evaluation of the significant weaknesses or deficiencies in the offeror's proposal, if applicable;
 - (2) The overall evaluated cost or price (including unit prices), and technical rating, if applicable, of the successful offeror and the debriefed offeror, and past performance information on the debriefed offeror;
 - (3) The overall ranking of all offerors, when any ranking was developed by the agency during the source selection;
 - (4) A summary of the rationale for award;
 - (5) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror; and
 - (6) Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed.

(e) The debriefing shall not include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. Moreover, the debriefing shall not reveal any information prohibited from disclosure by FAR 24.202 or exempt from release under the Freedom of Information Act (5 U.S.C. 552).

Debriefings of successful and unsuccessful offerors can be done orally, in writing, or by any other method acceptable to the contracting officer.

Preaward Surveys FAR Subpart 9.106

According to the FAR, purchases shall be made from, and contracts shall be awarded only to responsible prospective contractors. The purchasing activity must evaluate the offerors in order to make a positive finding as to responsibility.

Getting accepted as a "responsible" contractor is not like getting on a qualified products list. You can't arrange for a survey at your convenience and wait until you are approved before submitting an offer. The determination of responsibility is done only in connection with an offer when you are the apparent low or otherwise successful offeror. To be found responsible, you must be able to demonstrate that you:

- (1) have, or are able to obtain, adequate financial resources;
- (2) are able to comply with the delivery requirements;
- (3) have a satisfactory record of performance;
- (4) have a satisfactory record of integrity and business ethics;
- (5) have, or are able to obtain, the necessary organization, experience, accounting and operational controls, and technical skills;
- (6) have, or are able to obtain, the necessary production, construction, and technical equipment and facilities; and
- (7) are otherwise qualified and eligible to receive an award under applicable laws and regulations.

Sometimes a contracting officer proposes to reject the apparent successful offer of a small business firm because of doubt as to whether the firm is sufficiently responsible to perform the contract. In that event, the case must be referred to the Small Business Administration. If the SBA determines that the small business firm is responsible, it issues a Certificate of Competency (CoC) to the contracting officer, who then must award the contract to the small business firm.

Certificate of Competency Program <http://www.sba.gov/GC/indexprograms-coc.html>

The Certificate of Competency (COC) program allows a small business to appeal a contracting officer's determination that it is unable to fulfill the requirements of a specific government contract on which it is the apparent low bidder. When the small business applies for a COC, SBA industrial and financial specialists conduct a detailed review of the firm's capabilities to perform on the contract. If the business demonstrates the ability to perform, the SBA issues a COC to the contracting officer requiring the award of that specific contract to the small business.

The Certificate of Competency (COC) program helps ensure that small businesses, especially those which are newly entering into the federal procurement arena, are given a fair opportunity to compete for and receive government contracts.

CONTRACT ADMINISTRATION

Defense Contract Management Agency (DCMA)

As previously stated, a single or multiple contracting officer(s) may be responsible for duties on a single contract. The Procuring Contracting Officer may delegate contract administration duties to another office. A contract administration office performs postaward functions related to the administration of contracts and preaward functions (e.g. Preaward Surveys).

The Defense Contract Management Agency is the DOD contract administration office, ensuring acquisition programs are delivered on time, within cost, and meet performance requirements. They monitor contractor performance, systems, policies, and procedures to ensure compliance with contract requirements. DCMA performs analyses, applies risk management techniques, and resolves or negotiates solutions to production, delivery, quality, payment, and other problems affecting contract execution.

The following are examples of contract administration functions performed by DCMA:

- Conduct postaward orientation with contractors to clarify contract provisions.
- Perform surveillance of contractors' cost.
- Help ensure that contractors comply with all applicable labor laws, safety procedures, and environmental standards.
- Assure contractor compliance with cost accounting standards.
- Help resolve and correct product quality deficiencies.
- Help ensure that products and services are delivered on time and that they are properly transported or otherwise distributed according to our customers' needs.
- Manage and track payments as well as process public vouchers.

Postaward Orientation FAR Subpart 42.501

To ensure smooth contract performance, you may request a postaward orientation be conducted. This aids both the Government and contractor personnel to:

- (1) achieve a clear and mutual understanding of all contract requirements, and
- (2) identify and resolve potential problems. However, it is not a substitute for the contractor's fully understanding the work requirements at the time offers are submitted, nor is it to be used to alter the final agreement arrived at in any negotiations leading to contract award.

Postaward orientation is encouraged to assist small business concerns.

The focus in a postaward orientation is usually on:

- Understanding the technical aspects of the contract;
- Identifying and resolving oversights;
- Preventing problems;
- Averting misunderstandings;
- How to solve problems that may occur later; and
- Reaching agreement on common issues.

Defense Finance and Accounting Service (DFAS)

The Defense Finance and Accounting Service is the financial and accounting organization for the Department of Defense. Through its Centers and network of decentralized customer support facilities, DFAS provides all of DoD with finance and accounting services. A part of the financial management services at DFAS is paying contracts.

ROUTINE PAYMENT QUESTIONS

For explanation of contract terms involving payment, or initial inquiries regarding late payments, please contact the Customer Service personnel at the DFAS - Columbus. Phone numbers and addresses are provided at: <http://www.dod.mil/dfas/commpay/contractorpayment/intro.htm>

Electronic Funds Transfer FAR 32.11

All DoD Vendors are required to be registered in the Central Contractor Registration (CCR) database in order to be awarded a contract on solicitations dated after June 1, 1998. In addition, the Debt Collection Improvement Act of 1996, requires payments on all Federal contracts to be made via Electronic Funds Transfer (EFT) if the solicitation was issued after June 26, 1996. In order to reduce the burden of registering with each DFAS payment office, effective June 1, 1996, all DFAS payment offices are using the EFT data provided in the CCR in order to issue EFT payments. Vendors that are required to register in the CCR are no longer required to complete EFT registration forms for each payment office from which they receive payments.

Vendor Pay Inquiry System (VPIS) <http://www.dod.mil/dfas/money/vendor/vphelp.htm>

The Vendor Pay Inquiry System (VPIS) is an application developed for the convenience of contractors doing business with the Department of Defense (DoD). VPIS interactively provides information on invoices submitted against DoD contracts that the Defense Finance and Accounting Service is responsible for paying. VPIS consolidates the contract data obtained from DFAS sites into one central repository which contains all open contracts, plus any payments made within the last 90 days.

VPIS does not contain the status of transportation Government Bills of Lading (GBLs). With a couple exceptions, VPIS also does not contain the status of invoices paid outside of DFAS. If you have a question regarding a payment made more than 90 days ago, please contact your paying office directly.

You can use VPIS to perform several activities such as:

- Research the status of a recently filed invoice, and determine when payment will be issued or if something is lacking for payment processing;
- Obtain information associated with a check you have received to include contract number, invoices covered, interest or freight included in the payment, or tax or discount withheld; or
- Obtain the same background information for an electronic funds transfer payment.

You can query the system in one of the following ways:

- Contract number (or contract number along with call/delivery number and/or invoice number);
- Check number;

- Funds transfer trace number and date;
- Duns Number (or Duns Number along with date range); or
- CAGE Code (or CAGE Code along with date range).

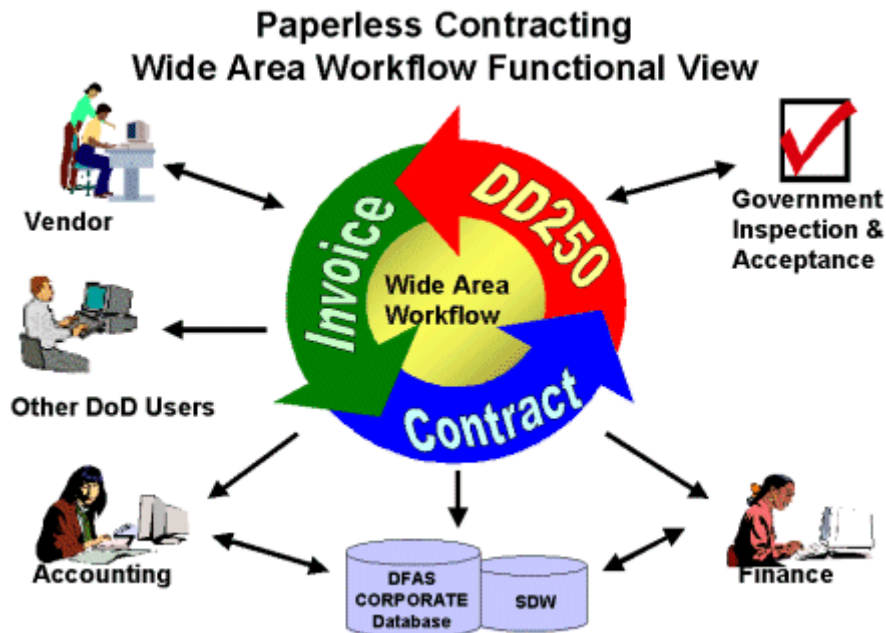
You may also elect to download the results of group queries by Duns Number or CAGE Code.

After your initial query has been processed, you may also request additional follow-up action by selecting the "E-mail Assistance" link from the options at the bottom of the screen.

Wide Area WorkFlow (WAWF) <https://wawftraining.eb.mil/>

Traditionally, the Department of Defense acquisition process has been paper-based, labor intensive, and heavily dependent upon manual and repetitive data inputs from multiple functional communities. This environment restricts access to source data provided by various contractual, financial, and logistic documents and in numerous Automated Information Systems (AISs).

The Wide Area WorkFlow (WAWF) Prototype supports DoD efforts to reduce unmatched disbursements in the DoD receipt, acceptance, entitlement, and payment process through sharing data and electronic documents. The goal is to enable authorized Defense contractors and DoD personnel to access the documents required for a payment action in a "paperless" environment by creating a virtual contract payment folder.



Vendors can submit invoices and receiving reports electronically using existing Electronic Commerce methods. Additional choices are now available: Web interactive forms and straight push from Vendor automated systems (FTP). These new choices do not result in significant cost or require changes to existing processes.

Additionally, the Vendor will receive system-generated emails advising them of action taken by the Government Inspection and Acceptance Officials. If a receiving report or invoice is rejected, the Vendor will have the capability to correct the data and resubmit—thus only the individual data elements need to be corrected as opposed to retyping the entire document. Finally, the Vendor will be able to view previously submitted documents and determine the current status, review actions taken by Government officials (to include access to the name, email and phone numbers), and as appropriate initiate follow-on actions.

What is DoD Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA)?

DoD has several tools available to help improve the receipt, management, processing, storage, retrieval, and organization into folders of documents required in the bill paying process. WAWF-RA provides the baseline technology for Government Vendors and authorized DoD personnel to generate, capture, and process receipt and payment-related documentation, via interactive Web-based applications.

Prompt Payment FAR Subpart 32.9

The due date for the Government to make an invoice payment is the 30th day after the designated billing office receives a proper invoice from the contractor (exceptions FAR 32.904).

(a) General. Payment will be based on receipt of a proper invoice and satisfactory contract performance.

(b) Content of invoices.

(1) A proper invoice must include the following items (except for interim payments on cost reimbursement contracts for services):

- (i) Name and address of the contractor.
- (ii) Invoice date and invoice number. (Contractors should date invoices as close as possible to the date of mailing or transmission.)
- (iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).
- (iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.
- (v) Shipping and payment terms (e.g., shipment number and date of shipment, discount for prompt payment terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.
- (vi) Name and address of contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).
- (vii) Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective invoice.
- (viii) Taxpayer Identification Number (TIN). The contractor must include its TIN on the invoice only if required by agency procedures. (See FAR 4.9 TIN requirements.)
- (ix) Electronic funds transfer (EFT) banking information.
 - (A) The contractor must include EFT banking information on the invoice only if required by agency procedures.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the contractor must have submitted correct EFT banking information in accordance with the applicable solicitation provision (e.g., FAR 52.232-38, Submission of Electronic Funds Transfer-Central Contractor Registration, or FAR 52.232-34, Payment by Electronic Funds Transfer-Other Than Central Contractor Registration), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(x) Any other information or documentation required by the contract (e.g., evidence of shipment).

Fast Pay FAR Subpart 13.4

(a) The fast payment procedure allows payment, under limited conditions, to a contractor prior to the Government's verification that supplies have been received and accepted. The procedure provides for payment for supplies based on the contractor's submission of an invoice that constitutes a certification that the contractor --

(1) Has delivered the supplies to a post office, common carrier, or point of first receipt by the Government; and

(2) Shall replace, repair, or correct supplies not received at destination, damaged in transit, or not conforming to purchase agreements.

If the conditions in paragraphs (a) through (f) of this section are present, the fast payment procedure may be used, provided that use of the procedure is consistent with the other conditions of the purchase. The conditions for use of the fast payment procedure are as follows:

(a) Individual purchasing instruments do not exceed \$25,000, except that executive agencies may permit higher dollar limitations for specified activities or items on a case-by-case basis.

(b) Deliveries of supplies are to occur at locations where there is both a geographical separation and a lack of adequate communications facilities between Government receiving and disbursing activities that will make it impractical to make timely payment based on evidence of Government acceptance.

(c) Title to the supplies passes to the Government --

(1) Upon delivery to a post office or common carrier for mailing or shipment to destination; or

(2) Upon receipt by the Government if the shipment is by means other than Postal Service or common carrier.

(d) The supplier agrees to replace, repair, or correct supplies not received at destination, damaged in transit, or not conforming to purchase requirements.

(e) The purchasing instrument is a firm-fixed-price contract, a purchase order, or a delivery order for supplies.

(f) A system is in place to ensure --

(1) Documentation of evidence of contractor performance under fast payment purchases;

- (2) Timely feedback to the contracting officer in case of contractor deficiencies; and
- (3) Identification of suppliers that have a current history of abusing the fast payment procedure (also see FAR 9.1).

The contracting officer shall insert the clause at FAR 52.213-1, Fast Payment Procedure, in solicitations and contracts when the conditions in FAR 13.402 are applicable and it is intended that the fast payment procedure be used in the contract.

NEW BUSINESS PRACTICES

X. NEW BUSINESS PRACTICES

DoD Business Transformation

As the Department of Defense works to ensure that the right capabilities, resources and materiel are rapidly delivered to our warfighters, DoD's current business and financial management infrastructure—processes, systems, and data standards—are being transformed. The mission is to transform the acquisition, procurement and logistics business systems into an accountable, integrated, end-to-end supply chain that directly supports the warfighter.

DLA Business Transformation

In concert with this effort, over the past 5 years DLA has been undergoing their own transformation across the enterprise. The transformation has included the replacement of our supply systems with a new state-of-the-art supply-chain system that will connect business processes from supplier to customer.

DLA has been shifting to commercial practices, where appropriate, and converting DLA to a value added broker of supplies and services. This is pulling our agency out of its traditional role as part of the process, to a new position of facilitating the process, based on the best of all commercial practices in supply change management. Our plans for this change are based on, to the extent practical, buying commercial products, using commercial distribution systems where they exist, and buying in accordance with commercial practices.

Some of the types of contracts DLA is using are:

Long-Term Contracting

Long-term contracting allows us to increase productivity by reducing the number of routine contracting actions required. Long-term contracting can shorten Administrative Lead Times, thus increasing our ability to react swiftly to increasing or decreasing demand, and thus increasing our supply availability and decreasing potential supply excess. Long-term contracts reduce the contractor's administrative burden and result in stable production runs, thereby incentivizing contractors to do business with the Department of Defense (DoD). In our efforts to better serve the customer, we are seeking the methods which enable us to buy quality and value. Used properly, long-term contracting can complement these efforts and are not necessarily beyond the capabilities of small business.

Prime Vendor/Virtual Prime Vendor

This a long term contract with a commercial distributor, Original Equipment Manufacturer (OEM) or third party logistics provider for integrated logistics support that may include forecasting, inventory management, distribution, engineering support, technical services or other services to support our customer's needs. These type contracts normally include performance metrics.

Prime Vendor incorporates Electronic Data Interchange trading partnerships with commercial distributors of market-ready or commercial products. Supply centers arrange for pricing and distribution arrangements or corporate/long-term contracts to provide the products. Under Prime

Vendor, regionally-grouped customers place their orders via an electronic catalog which is transmitted directly to the Prime Vendor. Order confirmation is received in minutes and routine delivery occurs within 24-48 hours. Special arrangements for expedited delivery can also be made.

Virtual Prime Vendor is the natural evolution of Prime Vendor. Under Prime Vendor, DLA partners with a quality contractor to furnish a broad range of items in a particular commodity group over a given geographic area for direct vendor delivery to customers. Virtual Prime Vendor relies on integrated supply chains to address an even wider-spectrum of customer support needs and crosses traditional commodity lines. This mirrors industry developments and allows DLA to take advantage of state-of-the-art commercial business solutions and emerging technology to provide total logistics support for weapons systems. In short, the Virtual Prime Vendor's job is to anticipate customer needs and have supplies or services immediately available when and where customer need arises.

Small businesses can participate in Prime Vendor programs. Interested businesses should review the source selection and evaluation criteria in the solicitation. The criteria may include best value and other socio-economic factors.

Strategic Supplier Alliance (SSA)

Strategic Supplier Alliances (SSAs) address and incorporate new and better ways of doing business which consolidate our efforts across the supply chain. This involves long-term partnerships between DLA and key suppliers that establish relationships to accomplish mutually compatible goals. SSAs involve true corporate-wide arrangements that entail identifying process changes beneficial to both parties, aligning purchasing with manufacturing, and establishing performance-based objectives. Planning is collaborative and provides more information on future demands. This improves industry efficiency and reduces the number of contracts required. The overall goals of the SSA approach are improved availability, reduced customer wait time, reduced inventory and reduced total prices.

Strategic Materiel Sourcing (SMS) Program

Strategic Materiel Sourcing (SMS) is DLA's umbrella initiative that encompasses all of the Agency's "Shift to Commercial Practices" initiatives for hardware Class IV and IX items, e.g., Strategic Supplier Alliances and other long-term agreements. The initiative is based on expanding DLA's successful adoption of commercial practices for energy and troop support items by developing and applying similar corporate strategies and techniques to the hardware commodities. SMS targets a relatively small subset of the total DLA managed hardware items based on those NSNs that drive the Agency's business and/or have the most potential impact on readiness.

A significant key to program success is recognition that SMS can best be accomplished by changing acquisition strategies from the traditional "arms length" adversarial relationship to the more partner-driven integrated supply-chain management concept now found in the commercial sector. Utilizing commercial acquisition practices represents the Agency's largest target of opportunity for reducing logistics response time, inventory value, and operating costs while supporting DLA's Combat Support Agency mission.

Small businesses are an important consideration when SMS or “market baskets” are developed as recommended groupings for long-term contracts. In fact a number of these market baskets are specifically targeted to small business.



Business Systems Modernization (BSM)

The DLA must continue helping our customers maintain readiness at reduced cost and sustain current and future deployed operations. That is our challenge, and that is what we will do.

DLA and Supply Chain Management

Supply Chain Management is the operation of processes which enable the flow of materials, information and money between suppliers and customers to achieve desired business results. Supply Chain Management is:

- Key to achieving the DLA mission of supporting the warfighter
- Directly affects customer satisfaction
- Influences sales, costs and efficiency/effectiveness of funds obligations
- Balances costs, benefits and mission

There are five supply chain processes that work together to provide a complete service for the customers.

- Planning
- Financial Management
- Order Fulfillment
- Procurement
- Technical & Quality

[Planning](#) - Understanding customer needs (demand) and resources available to meet needs (supply), and implementing actions to match them.

[Financial Management](#) - Defining and managing budgets, product pricing and operating costs.

[Order Fulfillment](#) - Acquiring orders, managing customer relationships and delivering materials and services to meet customer needs.

[Procurement](#) - Identifying, qualifying and contracting suppliers, and obtaining their materials and services in accordance with customer needs.

[Technical & Quality](#) - Create and maintain material master technical data to include supplier information. Supports the entire supply chain with technical information and requirements.

A major initiative well underway is [Business Systems Modernization](#), a project that will replace DLA's mission critical legacy systems with a new enterprise architecture based on COTS software and best commercial practices. BSM, when fully implemented, will enable DLA to:

- Replace the legacy Material Management systems with COTS systems.
- Provide Best Value solutions.
- Reengineer by utilizing Best Practices.

- Provide the training experience and opportunity to succeed in the new environment.
- Improve customer service through collaboration with customers and suppliers.

Business Systems Modernization Purpose

BSM is strategy for replacing mission-critical legacy systems with an enterprise business system based on commercially available off-the-shelf software. The BSM strategy is an integral part of DLA's ongoing logistics transformation, represented by partnerships and improved cooperation with both customers and suppliers.

BSM is a great deal more than an IT project ... BSM is the catalyst to transform DLA. It will enable DLA to:

- Replace our legacy materiel management systems with COTS (commercial off-the-shelf) systems. Our systems have not kept pace with the significant technological advances of the last several decades, thereby resulting in increasing operations and maintenance costs, and limiting future growth potential. The COTS system will facilitate development of a new IT infrastructure. Upgrades come with the package, with minimal need to design/write and maintain code; and the software incorporates best commercial practices.
- Reengineer by fielding best practices. Reengineering by fielding best practices refers to the redesign of the supply chain processes employed by DLA. These reengineered practices will facilitate consistent application of best practices across the enterprise. This will allow for incorporation of the latest proven supply chain practices of the commercial and military sectors.
- Improve customer service by collaborating with customers and suppliers. BSM will facilitate Customer Relationship Management initiatives by providing "one face" to customers; enhancing collaboration and demand planning; and allowing for additional levels of customer service.
- Provide best value solutions. These best value solutions relate to enhanced capabilities in finance such as auditable financial statements), customer service, supply chain management, and knowledge management. Additionally, our customers will have the ability to select the right solution for their needs.

HOW CAN SMALL BUSINESS PARTICIPATE

The purpose of these new business practices is to leverage the capabilities of you in the private sector, so DoD can maintain its performance as it down-sizes.

These new business practices present opportunities for small business. They represent a steady flow of business to the successful bidder, which makes it possible to plan better and make better use of resources. However, they also require more planning and work up front. Often before a solicitation is issued under new business practices, the buying activity will hold an "industry day," where interested companies can come in to learn about the proposed procurement, and express any concerns they may have. If you hear about such an industry day for products that you supply, it would behoove you to attend. It will help you get a better understanding of the Government's requirement. It will also give you a chance to make recommendations to the contracting officer on how the procurement can be structured to make it easier for small businesses to bid. If you can't go to the industry day, you can still bid when the solicitation is issued.

Once you receive the solicitation under these new business practices, you may find that it covers more items of supply than you have bid on at one time in the past, if you are used to competing for individual purchase orders. In addition, you may find the Government asking for direct vendor delivery in response to individual delivery orders, with fairly short delivery times. Don't Be Intimidated by this! Small businesses have competed and performed successfully under these new business practices.

It is necessary to understand the Government's requirements, and then plan and establish the supplier relationships you need to be able to respond to that requirement. If you are a manufacturer who doesn't want to perform third-party logistics functions, you may want to partner with a commercial distributor, either as a prime or subcontractor. If you're a distributor, you probably are already performing functions called for under the new business practices; it may be just a matter of formalizing relationships with your suppliers so that you can respond quickly to delivery orders under your contract on a consistent basis.

APPENDIX A

Acronyms

APPENDIX B

APPENDIX B - USEFUL WEB SITES

Here is a list of Internet web sites vendors may find useful. (Please note: Listing of non-government sites is provided for information only and does not indicate an official or particular endorsement of these sites.)

DLA and Related Sites

DLA Headquarters (DLA)

<http://www.dla.mil>

DLA Acronym List

<http://www.dla.mil/acronyms/default.pdf>

DLA Logistics Operations (J-3)

<http://www.dla.mil/j-3>

Electronic Mall (E-Mall)

<https://email.prod.dodonline.net/scripts/emLogon.asp>

Document Automation & Production Service (DAPS)

<http://www.dla.mil/daps>

Defense Logistics Agency Publishing System (This site contains all DLA regulatory publications and select Department of Defense (DOD) publications.)

<http://www.dlaps.hq.dla.mil/>

DLA Procurement Gateway

<http://progate.daps.dla.mil/home/>

DLA Pacific

<http://www.dla.mil/pacific>

DLA Europe

<http://www.dla.mil/europe>

Defense Supply Center, Philadelphia (DSCP, formerly Defense Personnel Support Center)

<http://www.dscp.dla.mil>

Defense Supply Center, Philadelphia – Clothing and Textiles (DSCP, formerly Defense Personnel Support Center – C&T)

<http://ct.dscp.dla.mil/>

Defense Supply Center, Philadelphia - Medical (DSCP, formerly Defense Personnel Support Center - Medical)

<http://www.dmmonline.com/>

Defense Supply Center, Philadelphia - Subsistence (DSCP, formerly Defense Personnel Support Center - Subsistence)

<http://www.dscp.dla.mil/subs/submain.htm>

Defense Supply Center, Philadelphia - Construction and Equipment (DSCP, formerly Defense Industrial Supply Center)

<http://www.dscp.dla.mil/gi/>

Defense Supply Center, Richmond (DSCR)

<http://www.dscr.dla.mil/>

Defense Energy Support Center (DESC, formerly Defense Fuel Supply Center)

<http://www.desc.dla.mil/default.asp>

Defense Supply Center, Columbus (DSCC)

<http://www.dsccl.dla.mil/>

DLA Product Testing Center

<http://www.dsccl.dla.mil/offices/testcenter>

Defense Logistics Information Service (DLIS, formerly Defense Logistics Services Center)

<http://www.dlis.dla.mil/>

Defense Reutilization and Marketing Service (DRMS)

<http://www.drms.dla.mil/>

Defense Logistics Management Standards Office (DLMSO)

<http://www.dla.mil/j-6/dlmsol/>

This site includes Defense Logistics Management System (DLMS) and Military Standard Logistics "MILS" manuals, DLMS EDI conventions, proposed and approved Changes, committee minutes, and more.

Defense Automatic Addressing System Center (DAASC)

<http://www.dla.mil/daasc>

This site includes MILSBILLS fund codes, MILSTRIP distribution and Routing Identifier Codes, and much more. DAASC web-based queries (DODAACs, RICs, MAPACs) – select DAASC Services from menu and select the DAASINQ tab. This will provide the page from which to perform the queries.

Defense Distribution Center (DDC)

<http://www.ddc.dla.mil>

Non-DLA Sites

Defense Finance and Accounting Service (DFAS)

<http://www.dod.mil/dfas>

This site will answer your billing questions.

Master Transportation Account Code (TAC) Reference Table

http://192.67.251.41/tac_inq/tac_menu.html

This site is the official listing of valid TACs and TAC assistance information..

Defense Link

<http://www.defenselink.mil>

This site provides overall DOD information, including the latest press releases.

Defense Contract Management Agency (DCMA)

<http://www.dcms.mil>

Acquisition Web

<http://www.acq.osd.mil/acqweb>

Defense Emergency Supply Expert System

<http://www.desex.com>

Defense Publications

[http://www/defenselink/pubs/](http://www.defenselink/pubs/)

DOD Forms Program

<http://web1.whs.osd.mil/icdhome/forms.htm>

General Federal Government Information

<http://firstgov.gov>

White House

<http://www.whitehouse.gov>

Joint Electronic Library

<http://www.dtic.mil/doctrine/jel/index.html>

Defense Institute of Security Assistance Management (DISAM)

<http://disam.osd.mil>

General Services Administration (GSA)

<http://www.gsa.gov>

Government Printing Office (GPO)

<http://www.gpo.gov>

U.S. Customs Service

<http://www.customs.ustreas.gov/index.htm>

Air Force
Home Page
<http://www.af.mil>

Fact File
http://www.af.mil/news/indexpages/fs_index.html

Aerospace Maintenance & Regeneration Center
<http://www.dm.af.mil>

Ogden ALC, Hill AFB
<http://www.hill.af.mil>

Oklahoma ALC, Tinker AFB
<http://www.tinker.af.mil>

Special Operations School, Hurlburt AFB
<http://www.hurlburt.af.mil/usafsos>

Army Home Page
<http://www.army.mil>

Armaments & Chemical Acquisition and Logistics Activity (ACALA), Rock
Island Arsenal
<http://www-acala1.ria.army.mil>

Aviation and Missile Command (AMCOM), Redstone Arsenal
<http://www.redstone.army.mil>

Communications-Electronics Command (CECOM), Ft. Monmouth
<http://www.monmouth.army.mil/cecom/cecom.html>

Industrial Operations Command (IOC), Rock Island Arsenal
<http://www.ioc.army.mil>

Missile Command (MICOM), Redstone Arsenal
<http://www.redstone.army.mil>

Safety Center, Ft. Rucker
<http://safety.army.mil>

Simulation Training & Instrumentation Command (STRICOM)
<http://www.stricom.army.mil>

Tank Automotive & Armaments Command (TACOM)
<http://www.tacom.army.mil>

Marines Home Page
<http://www.usmc.mil>

Navy Home Page
<http://www.navy.mil>

Fact File
<http://www.chinfo.navy.mil/navpalib/factfile/ffiletop.html>

Navy Electronic Directives System
<http://neds.nebt.daps.mil>

Naval Inventory Control Point (NAVICP)
<http://www.navicp.navy.mil>

Naval Inventory Control Point, International Programs (Code OF)
<http://www.navicp.navy.mil/of/ofhome.htm>

Naval Air Systems Command (NAVAIR)
<http://www.navair.navy.mil>

Naval Facilities Engineering Command (NAVFAC)
<http://www.navy.mil/homepages/navfac>

Naval Sea Systems Command (NAVSEA)
<http://www.navsea.navy.mil>

Naval Supply Systems Command (NAVSUP)
<http://www.navsup.navy.mil>

U.S. Coast Guard
<http://www.dot.gov/dotinfo/uscg>

APPENDIX C

DEFENSE SUPPLY CENTER COLUMBUS (DSCC)

DSCC Internet Bid Board System (DIBBS)

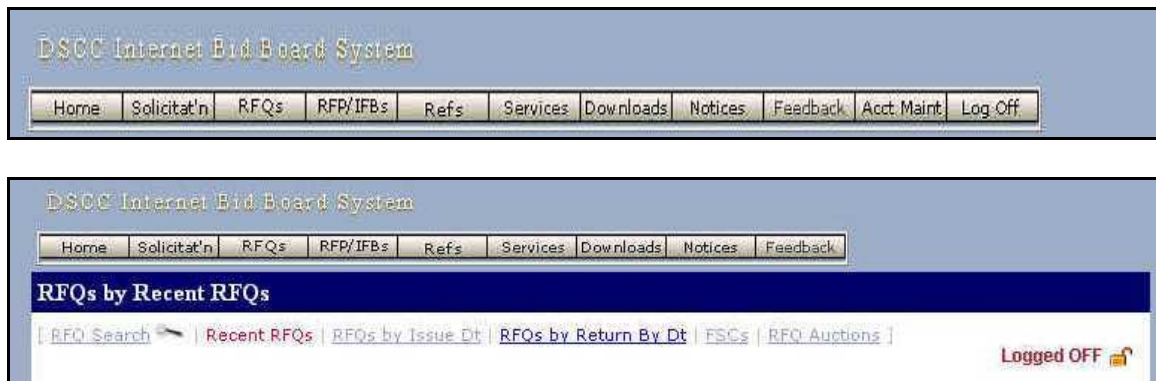
DSCC is committed to using the most efficient means of contracting for the required items of supply, and to using electronic commerce to the maximum extent practicable. One such initiative is the DSCC INTERNET BID BOARD SYSTEM, DIBBS.

Accessing DIBBS

To access the DIBBS Home page

1. Enter in the address line or click the following URL
[www.http://dsccols.com](http://dsccols.com)
2. You may also access DIBBS from other sites such as DSCC's Home page or <http://www.dsc.dla.mil>.

DIBBS contains two menus, a main menu and a submenu. The main menu bar is located beneath the DIBBS system title, at the top of every DIBBS window. The main menu allows navigation to all main topics of the DIBBS system, i.e., Home, Solicitation, RFQs, RFP/IFB, References, Services, Downloads, Notices and Feedback. If you are logged into a secure area, you will also see Account Maintenance and Log Off buttons. By clicking these buttons, you can quickly navigate to different sections within the DIBBS system.



2.3.1 Navigation within DIBBS

You may access various parts of the DIBBS system from the DIBBS Home Page by selecting one of the hyperlinks and clicking it. The main hyperlinks to the DIBBS system are listed below. For a further explanation of each of these sections, please see other sections within the user's manual.

The Getting Starting hyperlink (<http://www.dsccols.com/selling/start.html>) provides a link to the DSCC Home Page where you may access other DSCC hyperlinks, such as Administrative Requirements, Viewing DSCC Solicitation, Requirements for Internet Quoting and Web Invoicing System (WINS).

The Solicitation hyperlink (<http://dibbs.dsccols.com/Solicitations/>) provides a link to the DIBBS Supported Opportunities, which include accessing Request for Quotes, Requests for Proposals/Invitations for Bid, Reverse Auctioning, and Other DSCC Opportunities.

The References hyperlink (<http://dibbs.dsccols.com/refs/>) provides a link to Provisions and Clauses (including DSCC's Master Solicitation), Regulations & Supplement Extracts used on DIBBS, DIBBS User's Manual, DIBBS On-Line Quoting Help, DIBBS Auction User's Guide, Technical Data links and Virtual Library links.

- This Master Solicitation establishes the clauses/provisions applicable to Solicitations with a "T" or "U" in the ninth position of the Solicitation Number (i.e., SP0700-98-T-1111) and Purchase Orders issued thereunder which reference this DSCC Master Solicitation ("PAC" on face of DD1155) in lieu of separately citing individual clauses. All "T" or "U" solicitations are eligible for awards under DSCC's Procurement Automated Contract Evaluation (PACE) program, except for Foreign Military Sales (FMS). PACE makes automated and buyer assisted automated awards to suppliers who submit eligible electronic quotes under "T" or "U" solicitations estimated at \$25,000 or less. A Purchase Order with a "V" in the ninth position (i.e., SP0700-98-V-2222) denotes an order issued under PACE.

You must be logged into DIBBS to Quote and update your accounts in DIBBS

A "Vendor Profile" button will be displayed only to the Super Users on the accounts. This section lists the vendor accounts, which the logged in Super User is authorized to edit. This section is for updating the company's representations and certifications and other business information. This window lists the CAGE code, vendor's name and the date and time the information was last updated. If the account is inactive or requires maintenance, a red flag will appear to the left of the CAGE code and the company's name will be in red. You will not be able to quote for an account that contains a red flag.

Searching and Viewing Solicitations

To perform a custom RFQ query:
From the RFQ Home Page, click a search category.

You may restrict the search to searching one of the following: National Stock Number (NSN), Federal Supply Class (FSC), Solicitation Number, Purchase Request Number, Nomenclature, Approved Part Number, Approved CAGE or Vendor Directed RFQs. Vendor Directed RFQs are directed to a CAGE code by DSCC. To perform this search, select the Vendor Directed RFQs radio button, enter a CAGE code in the search value block, and press search.

Enter your search value in the text box under Search Value(s). Example: SP0700-00-T-LC66 or 1005-01-266-1233. You may use the wildcard character (*) either before or following the search value i.e. SP0700-00-T-* or 1005-*-266-1233. **Make sure the number is the number type of the search category. In other words, don't click the NSN then type in a solicitation number in this text box.**

DSCC Solicitations Logged In

■ **DIBBS Supported Opportunities**

- [DSCC Requests for Quotation \(RFQ \) Search](#)
Search DSCCs simplified acquisition database which contains all DSCC RFQs **under \$100,000**.
- [DSCC Requests for Proposal \(RFP \) / Invitation For Bid \(IFB\) Search](#)
Search DSCCs large purchase database which contains DSCC RFP and IFB **\$100,000 or greater**. These solicitations have a "R" or "B" in the ninth position of the solicitation number. See below for additional RFPs and IFBs which support DSCC long-term contracting initiatives.

■ **Other DSCC Opportunities**

- [DSCC Corporate Contract/Tailored Support Solicitations](#)
Search this database to view RFPs/IFBs involving additional opportunities.
- [Trident Submarine Solicitation SP0760-00-R-6310](#)
Long Term Logistics Support for the Trident Submarine including delivery of supplies, supply chain alliances, technical, Electronic Commerce, and customer service support - Potential overall support includes approximately 92,000 NSN(s).
- [DoD Electronic Mall \(EMALL\) Solicitation SP0730-99-R-0001](#)
This is an opportunity to increase your Defense business. If you offer quality products with competitive commercial pricing and delivery, we want you on the DoD EMALL team! If you already hold a long-term contract with DSCC, contact us about transitioning to an electronic catalog contract!

RFQ/RFP/IFB Databases Search

Search Categories:

FSC/National Stock Number
 Nomenclature
 Solicitation Number

Search Value(s):

Check For Items with Bid Sets Only

Search Help

1. Select search categories
2. Enter search value
 - Wildcard * may be used preceding and/or following search value.
 - Search multiple values using a , (comma) after each value.
3. Select Bid Set Option
4. Press Submit

Click Records per page radio button to determine how many records are displayed or printed on each page.

Click a Show RFQs only for radio buttons to search the database for RFQs, which are posted to the DIBBS system in five ways. Today – RFQs which were posted to the DIBBS system on the current date. Recent – RFQs which were posted to the DIBBS system in the last 15 days. Open – RFQs, which are currently open. Closed – RFQs, which are currently closed. All – All RFQs in the system regardless if they are closed or open.

Click a Sorted By radio button to chose how your search is to be sorted. There are six ways that the search can be sorted: Solicitation Number, NSN Number, PR Number, Issue Date, Return by Date or Nomenclature.

Click a Then By radio button to further sort your search. There are six ways that the search can be sorted: Solicitation Number, NSN Number, PR Number, Issue Date, Return by Date or Nomenclature.

Click the Search button. This brings up the RFQ Search Results page.

For Text Searches



The screenshot shows a web interface for text searching RFQ documents. At the top, it says "Text Search" and "Search the text of all RFQs for any word(s) or phrase(s)". Below this is a section titled "RFQ Document Text Search" containing a text input field labeled "Enter your search word(s):". Underneath the input field are two buttons: "Search" and "Reset". Below the buttons are radio buttons for "Display" with options 10, 25, 50, and 75 per page. At the bottom of the search block, there is a dropdown menu labeled "Limit Results to" with the value "300" selected and the text "items." to its right. Below the search block is a link labeled "Additional Text Search Help" with a red question mark icon.

To search the text of all RFQs in the database for any word(s) or phrase(s), use this query.

From the RFQ Home Page: Enter any word or word combinations on the "Enter your search word(s) search text box. Click a Display radio button to determine how many records will be displayed or printed per page. Click the arrow on the Limit Results to list limits on the amount of records that are returned. Click the Search button.

You can click the Additional Text Search Help button under this search block to expand or restrict your search. These hints will get you started on forming more complex queries.

DEFENSE SUPPLY CENTER PHILADELPHIA (DSCP)

Clothing and Textiles (C&T)

To determine if you can meet our requirements, it is essential that prospective suppliers obtain specifications prior to submitting an offer. Once you obtain the specification(s) you should be able to analyze your capability. Due to the large quantities procured, a firm should never attempt to bid beyond its capabilities.

It is important to note that the Department of Defense Appropriations Act prohibits the procurement of Clothing and Textiles from foreign concerns. Acquisitions for this commodity are solicited from domestic sources using products that are mined and produced in the United States. An exception to this regulation is made only if a product is not available within the United States.

In some procurements, Government Furnished Material (GFM) is made available to the contractor by DSCP for fabrication of the "end item". When it is available, such material will be listed in the solicitation and will reflect the width of the material, the price per yard, and the location from which it will be obtained by the contractor. When developing an offer price, you must include the value of the GFM.

Single size patterns are available for bidding purposes on solicitations for specification items. The solicitation will cite the appropriate pattern and pattern date to request. It is the contractor's responsibility to grade the pattern in accordance with the sizes cited in the solicitation. Upon receipt of a contract, a complete set of patterns will be furnished the successful awardee. Single size patterns or drawings where appropriate may be requested by calling either the contracting officer or purchasing agent cited on page 1 of the solicitation.

Some of the items purchased will be described in the solicitation under a Statement of Work or Commercial Item Description while many items will require conformance to military specifications. It is essential that prospective bidders obtain specifications prior to submitting an offer.

All unclassified federal and military specifications used throughout the Department of Defense for military procurements may be obtained by writing to: DODSSP, Standardization Document order Desk, 700 Robbins Avenue, Bldg. 4D, Philadelphia, PA 19111-5094 (215-697-2667 or 2179).

C&T contracts require the use of laboratories that meet the requirements deemed appropriate by the government. Offerors must identify at time of bid submission the laboratory that will perform the various tests required.

Firms that are interested in selecting a laboratory to be certified may do so by

obtaining the American Society for Testing and Materials (ASTM) directory at: American Society for Testing and Materials, 1916 Race Street, Philadelphia, PA 19103-1187, (215)299-5400.

A prospective supplier may utilize its own testing facility, however it must still meet the standards set forth by the government. Approval by the government of a laboratory should not be construed as a guarantee that testing will be performed properly nor does it relieve the contractor from his contractual obligation to present conforming supplies.

Often a firm has a new or improved item that it wishes to sell to the government. Most clothing, textiles, body armor, footwear, tentage and equipment items are researched and developed by the U.S. Army Natick Research Development and Engineering Center, Natick, MA. The Small Business Specialist, Mr. Phillip Haddad, Jr. will assist you and he may be reached at (508)233-4995 or 4301.

One tool used to make awards is the DLA Procurement Gateway - an integrated collection of automated systems providing oversight for the management of procurement data. The system allows prospective Government contractors to perform comprehensive and detailed searches against Request for Quotation (RFQ) and Award documents. Flexible search options permit the user to identify RFQs and Awards using a variety of search criteria including Solicitation Number, Purchase Request Number, and National Stock Number (NSN).

Construction and Equipment (C&E)

The Construction and Equipment Directorate manages a wide variety of commercial and military unique items in such categories as plumbing, lighting, food service equipment, imaging, office supplies, lumber, hardware, material handling and heavy equipment. By using a wide variety of logistic programs the directorate has developed long term contracts with integrated suppliers offering direct vendor delivery, on-line credit card ordering, and direct interface with a customer's accounting system. The C & E Directorate has established a wide variety of logistic management initiatives that reflect best business practices both in commercial and government sectors.

A large percentage of the Construction and Equipment purchases are simplified acquisitions under \$100,000. One tool used to expedite this process is the DLA Procurement Gateway - an integrated collection of automated systems providing oversight for the management of procurement data. The system allows prospective Government contractors to perform comprehensive and detailed searches against Request for Quotation (RFQ) and Award documents. Flexible search options permit the user to identify RFQs and Awards using a variety of search criteria including Solicitation Number, Purchase Request Number, and National Stock Number (NSN).

MEDICAL

The Medical Directorate implemented a Prime Vendor Program for brand name specific and generic medical material and supplies. A prime vendor is a business concern that functions as a

purchaser's primary source for specified classes of products and is responsible for the delivery of goods produced by various suppliers to the customer. The United States has been divided into regions, with one prime vendor for pharmaceutical items and one prime vendor for medical/surgical items, delivering commercial products to all ordering facilities within that region.

As part of the Prime Vendor Program, Distribution and Pricing Agreements (DAPA) are established with pharmaceutical and medical/surgical manufacturers and distributors. Under the DAPA, the agreement holder consents to allow the prime vendor to distribute its products to the ordering facilities and agrees that the prime vendor will be charged the same price as established in the agreement. Currently, there are approximately 29,000 items on DAPA for pharmaceutical items and approximately 118,000 items on DAPA for medical/surgical items.

If you wish to participate in the Medical Prime Vendor Program, your firm must first establish a DAPA arrangement with DSCP as soon as possible. The point of contact to establish a DAPA with the Medical Directorate at DSCP is **the Small Business Office**, at 1(215)737-4648 or 1(800)831-1110 (outside Pennsylvania).

Medical procures consumable products under \$2,500 thru SPEDE, an electronic data exchange system. This system electronically solicits, receives quotes, and sends awards against a Blanket Purchase Agreement (BPAs). BPA's are agreements between DSCP/M and the vendor, which state what items a vendor can supply and applicable contract clauses, terms, and conditions.

Outside the Prime Vendor Program, DSCP items purchased are manufactured in accordance with some type of specification. It is extremely important that you obtain a copy of the applicable specification(s) so that you are fully aware of the item requirements.

Specifications can be obtained from two places depending on the type. Military, Federal, and Commercial Item Descriptions may be obtained by writing to the Standardization Document Order Desk, Building 4, Section D, 700 Robbins Avenue, Philadelphia, PA 19111-5094. Other than military, federal or commercial item description may be obtained via the NSN by writing this Center, ATTN: DSCP-MS, Directorate of Medical Materiel.

Because of the vital nature of medical items purchased by DSCP, this Center maintains a strict program of quality assurance. For drugs, surgical devices and other items under the Food and Drug Administration (FDA) cognizance, the FDA performs the quality assurance functions and pre-award surveys. For all other medical items, personnel of the nearest Defense Contract Management Area Office (DCMAO) inspect and accept the materials, and also perform pre-award surveys.

Please note that drugs may require a "New Drug Application" (NDA) or "Abbreviated New Drug Application" (ANDA). Devices may require an application for Pre-Marketing Surgical Devices approved by FDA. In such instances, the solicitation will contain an applicable clause so be certain to furnish the FDA approved file number and date of FDA approval for the product, as requested in the specific clause in the solicitation. In addition, there

is a clause for drugs on container/closure system materials. Furnish the requested information about the container, container seal, container closure and closure liner or the drug product you offer to supply.

In the event you are interested in smaller quantities, you may want to market your company to military hospitals which sometimes contract for smaller quantities of items directly from the supplier. A listing of military hospitals is available from the Small Business Office upon request.

SUBSISTENCE

Subsistence is responsible for the acquisition and worldwide distribution of food and food service equipment in support of military dining facilities and ship galleys as well as field feeding operations. These items include fresh, frozen, semi-perishable and market-ready items; and operational rations, war readiness, humanitarian and emergency relief items for peacetime and contingency requirements. Fresh fruit and vegetables are also procured for the Defense commissary Agency, Military Exchanges, Civilian Agencies as well as the U.S. Department of Agriculture, including states and school districts in the National School Lunch Program.

Most of the food served in dining halls and galleys are covered under The Prime Vendor Program which uses commercial distributors to directly deliver a full range of food items and beverages to customers in specific geographic areas. These are negotiated acquisitions using best value source selection procedures where award is based on factors other than cost or price alone. The contracts, with multiple renewable years, place an emphasis on quality, availability and minimum delivery lead time. Customers receive supplies within 48 hours of placing orders while reducing warehouse inventories. All supplies are furnished on a “fill or kill” basis. No substitutions are accepted unless authorized by the ordering activity.

Socioeconomic factors are an integral part of Prime Vendor solicitations/contracts. Two factors were specifically developed to provide maximum opportunity to the small business community to participate in our reengineered business processes. Socioeconomic Considerations require prime vendors, both large and small business, to describe the extent they will subcontract with small, small disadvantaged and women-owned small businesses during the performance of the contract. The intent of the DLA Mentoring Business Agreement (MBA) Program is to foster a business relationship between a prime vendor and a small business concern or Javits-Wagner-O-Day sheltered workshop. Ideally, both firms bring to the relationship distinctive capabilities which support business objectives and produce mutually beneficial results. To facilitate self-marketing subcontracting inquiries, a list of Prime Vendors and MBA Program literature are available upon request.

DSCP uses two types of contracts to buy food. The contract more frequently used is the indefinite delivery contract which estimates the needs of a customer over a specific period of time. The customer places orders for individual requirements. Offers are made on the estimated quantity. Fixed price/fixed quantity contracts are used to a lesser extent.

Most long-term contracts are solicited using best value source selection procedures. Offerors are required to submit a technical and price or business proposal. This process enables the

government to negotiate contracts based on the assessment of technical capability as well as price. Guidance on the submission and evaluation of proposals can be found in the individual solicitation.

Fresh Fruit & Vegetables (FF&V) are bought under Blanket Purchase Agreements (BPAs) after inspection at the local market or grower's farm. A quality versus price determination is made by local FF&V designated individuals. A BPA is not a contract but rather a simplified written agreement for filling repetitive requirements by establishing "charge accounts" with qualified sources of supply.

Subsistence acquires supplies in accordance with commercial practices as well as Federal, Military, U.S. Department of Agriculture and Department of Commerce specifications and standards. A supplier must become thoroughly familiar with the technical and quality assurance requirements to assure that the product offered meets the required quality, grade, type, style, size and other conditions. Particular attention must be given to how to package, pack, label, mark and unitize product. These requirements are primarily of three categories, each designated with consideration to the length of time the product will be in storage, the number of times that it will be handled, and the distance and conditions under which it will be transported and stored.

Inspection requirements for Subsistence items vary among the different commodities. Depending upon the item, offers may be accepted only from companies whose plants meet the sanitary approval requirements set forth in the solicitation.

Food procured by DoD must be in compliance with the Department of Defense Federal Acquisition Regulation Supplement (DFARS) 252.225.7012, Preference for Certain Domestic Commodities, and DFARS 252.225-7001, Buy American Act and Balance of Payments Program.

The Defense Commissary Agency (DeCA) in Fort Lee, Va, manages and operates the worldwide commissary system. The commissary offers merchandise such as food and household product for resale to members of the military services and their dependents. For information on selling to DeCA, contact their Small Business Office at 804-734-8740.

DEFENSE SUPPLY CENTER RICHMOND (DSCR)

DSCR is fully supportive of Small Business vendors and encourages all small businesses to seek opportunities with our Agency. We provide a booklet entitled 'Doing Business with Defense Supply Center Richmond', along with a listing of FSC's managed by DSCR, to any interested vendor. Just call our office at 804-279-3287, 1-800-227-3603 (outside VA) or 1-800-544-5634 (inside VA) to ask for a copy.

Contracting information and business opportunities are available through our website at www.dscr.dla.mil. Click on the Procurement Gateway for open solicitations and awards. Click on Business Opportunities for other procurement information and our small business web page.

Vendors interested in doing business with DSCR must search the Procurement Gateway for opportunities. Solicitations under \$100,000 are solicited on the Procurement Gateway, and are not synopsisized in www.fedbizopps.gov. While vendors can market their items to the buyers, this should only be a supplementary effort in addition to searching the Procurement gateway. A listing of buyers is available on our Business Opportunities Page under Buyer Information Lookup. In addition the Product Center's page provides vendors with detailed information about the types of commodities bought by each Product Center unit and the Management level points of contact for each Product Center. Buyers may maintain their own mailing lists based on knowledge, experience and vendor marketing. While much of our items require machine shop processes our buyers are not able to identify the processes involved in manufacturing the item being bought.

Vendors need to describe their capabilities by product name, not by process capability. Many opportunities come from solicitations publicized as PACE solicitations which require vendors to provide the exact item and terms as cited in the solicitation. Any offer, which takes exceptions, will not be considered for award unless the computer is unable to make award and the buy is generated to a buyer for manual work. The computer attempts to make award two days after closing.

Manual solicitations are generated by the buyer and contain a "Q" in the ninth position. Questions regarding these solicitations should be directed to the buyer cited on the solicitation.

DSCR utilizes the BPA program for buys under \$25,000. These buys are not publicized on the Gateway. Only vendors with BPA contracts are solicited for these items. Applications to obtain a BPA are available from Syrl Ellis (A-L), 804-279-3775 and Barbara Pittman (M-Z), 804-279-5494

Buy over \$100,000 are visible on the Gateway as well as Fed Biz Opps (all buys over \$25K). Special Acquisitions, targeted to small business vendors, are also publicized on the Business Opportunities page under 'Corporate Contracting/Special Acquisition Opportunities'.

Vendors within the 8(a) and HUBzone programs are encouraged to market themselves to the DSCR Small Business Office so that we may identify potential items for future contract opportunities. All vendors under these programs are advised to develop a performance record with DSCR before seeking sole source opportunities. Vendors must be an approved source and/or demonstrate successful capability to perform items of interest.

Due to the nature of DSCR managed items, many solicitations contain complex inspection (ISO 9001, MIL-I-45208 or MIL-Q-9858). Packaging requirements may also be complex and different from standard commercial packaging requirements. Vendors should carefully read the solicitations before quoting to be sure they understand the terminology and requirements set forth. It is the responsibility of the vendor to quote in accordance with the item description. Vendors are required to provide the exact product or the requirements of any specification or drawing. Alternate offers may be reviewed for the immediate solicitation or for future buys, depending on the stock status and competitive nature of the item.

DSCR utilizes a supplemental web page to provide restricted drawings, which are not available on the ABI, as well as unrestricted drawings. Click on Technical Data Management Division on the Business Opportunities page to obtain more information. Many of the drawings utilized for our Aircraft components and cable assemblies are restricted by Export Control and Boeing Rights Guard restrictions. Vendors intending to quote to drawings should obtain authorization for these types of drawings.

Our Competition Advocate, Nancy Witwer, supports competition through assistance in submission of alternate offers, SAR packages and other issues relating to competition.

Points of contact at DSCR include:

John Henley, Associate Director of Small Business 804-279-6330

Nancy Witwer, Competition Advocate 804-279-4955

Anne Mastricola, Small Business Specialist 804-279-5242

Richard Rosanelli, Small Business Specialist 804-279-6635

Harriett Reddrick, Small Business Specialist 804-279-4132

DLA Enterprise Support (DES)

DES-A (ADSB)

Dear Vendor:

The DLA Enterprise Support (DES) Acquisition Staff Directorate (DES-A) is forwarding this Marketing Information Package either per your request or as part of our Outreach Program. We welcome your interest in the Defense Logistics Agency and wish you success in marketing to DLA and other Federal Agencies.

The Acquisition Staff Directorate provides exceptional customer service in the acquisition of Information Technology and the full spectrum of Base Contracting or General Contracting support requirements for DLA Headquarters. This includes putting acquisition streamlining to work for our customers, including the use of all aspects of the Small Business Program, including streamlined 8(a) Program Contracting, as well as Federal Supply Schedules, Government Wide Acquisition Contracts (GWAC), Interservice Contracts, and the Federal Government purchase cards. In addition, DES-A is a fee-for-service organization and is literally supported by the contracting business that its customers choose to bring to our office. In a most important sense, our customers drive the reformed acquisition process. They control the funding and have the discretion to obtain their requirements in the best manner they perceive. In short, our Customers can shop around! The customers initiate the various requirements and usually conduct the market surveys or market research upon which the acquisitions are based. When price is not the only factor, the customers provide the best value selection criteria, written justifications where required, and conduct the technical evaluations, etc. It is by exceptional customer service that DES-A and our Vendors will obtain their business. We must continually improve our business practices, provide timely and excellent service, and satisfy the needs of our customers. DES-A emphasizes the Small Business Program to its customers and, through education and encouragement, enlists their support as part of the acquisition team for the Small Business Program.

Accordingly, vendors are encouraged to market their capabilities to all our potential customers including DLA Headquarters, DLA field activities, and other DES-A supported activities. This is a continuous process of advertising and marketing your capabilities. DES-A emphasizes the need and the responsibility of the interested vendor to market to our customers and to make reasonable efforts over time to remind personnel at all phases of the acquisition process of their interest and capabilities in contracting with the Defense Logistics Agency. It is noted that within the context of Acquisition Reform that much of today's contracting, such as Federal Supply Schedule and GWAC ordering, occurs without public notice and without formal solicitations. Advertising is the key to marketing success so that customers may include your company in their market surveys. In Fiscal Year 2004, eighty-three (83) Percent of our procurement dollars were awarded on GSA Federal Supply Schedules, BPAs based upon GSA Federal Supply Schedules, GWACs, and Interservice Contracts. These methods do not require announcements in the <http://www.fedbizopps.gov> (which has replaced the Commerce Business Daily (CBD)).

Therefore, the submission of company profiles, capability statements, and other promotional literature to our customers is encouraged. It is recommended that you provide up-to-date copies whenever your literature is revised. This request for promotional literature is intended to assist your company in advertising its capabilities within our organization. You are encouraged to send your promotional literature directly to our customers and DES-A, as well as other DLA field offices.

The Acquisition Staff Directorate has discontinued its local bidders' mailing list. Vendors are required to register in the **Central Contractor Registration (CCR)** at the following website: <http://www.ccr.gov>. It is noted that the SBA on-line database for small businesses, formerly entitled: "Pro-Net", is now merged with and available at the CCR. Pro-Net has been renamed the "**Dynamic Small Business Search**"(DSBS). DES-A promotes "DSBS" as the foremost database to look for small business vendors. These registries are a primary source of vendor information in conjunction with vendor promotional or advertising literature, and vendor responses to announcements in the <http://www.fedbizopps.gov>. Accordingly, vendors are encouraged to market their capabilities to all our potential customers and are also advised to review the <http://www.fedbizopps.gov> to identify solicitations for open market requirements that may be of interest.

This package provides information to assist vendors marketing to DES-A, DLA Headquarters, and other DES-A supported activities. It is hoped that it will assist you in that effort and also be useful in marketing to other Federal agencies. If you have any questions, please feel free to contact the DES Associate Director of Small Business at (703) 767-1161. We look forward to working with you.

ROBERT H. LITTLE
Associate Director of Small Business