



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



DLA Troop Support Pre-Proposal Conference

Subsistence Prime Vendor Iraq, Kuwait and Jordan
SPM300-15-R-0042
29 December 2015



Conference Ground Rules & Participation Guidelines

Please...

- Sign-in
- Mute all cell phones
- No cameras, video taping or recording devices
- Questions can be submitted to the Contracting Officer and will be addressed via an amendment to the solicitation



Agenda

- Berry Amendment / Trade Agreements Act
- What's different? / What's not different?
- Technical Proposal Submission
- Contract Pricing Language
- Submission Requirements
- Business Integrity / Ethics / Fraud Briefing
- National Contracts
- STORES



Amendments supersede Pre-Proposal Conference discussions

REMINDER: NOTHING SAID DURING THIS PRE-PROPOSAL CONFERENCE IS BINDING OR INCORPORATED INTO THE SOLICITATION UNTIL A WRITTEN AMENDMENT HAS BEEN ISSUED. ANY TOPICS DISCUSSED DURING THE PRESENTATIONS ARE FOR GENERAL INFORMATIONAL PURPOSES ONLY.



BERRY AMENDMENT

- BACKGROUND:

Found in 10 U.S.C. § 2533a and implemented through DoD Federal Acquisition Regulation Supplement (“DFARS”) 225.7002 and 252.225-7012.

- RESTRICTION (DFARS 252.225-7012):

The Government is restricted from procuring any of the following items, either as end products or components of end products, unless the items have been **grown, reprocessed, reused, or produced in the United States**:

- (1) Food.

- APPLICABLE EXCEPTIONS (DFARS 225.7002-2):

(b) Domestic Non-Availability Determination (“DNAD”) is obtained for the item.

(e) Acquisitions of perishable foods by or for activities located outside the U.S. for personnel of those activities.

(f) Acquisitions of food in support of contingency operations.

(l) Acquisitions of foods manufactured or processed in the U.S., regardless of where the foods were grown or produced.



Trade Agreements Act (“TAA”)

- Found in Federal Acquisition Regulation (“FAR”) 25.4 and DFARS 225.4 and 252.225-7021.

- Applicability of these restrictions is based on:
 - ***Dollar Threshold:*** Procurement value equal to or exceeding \$204,000.

 - ***End Item:*** Cover numerous Product Service Groups (“PSG”), formerly Federal Supply Groups.
 - Product Service Groups 73 (Food Preparation and Serving Equipment) and 99 (Miscellaneous)

- Restrictions (DFARS 252.225-7021(C)):
 - “The Contractor shall deliver under this contract only **U.S.-made, qualifying country, or designated country end products...**”
 - See DFARS 252.225-7021(c)



TAA Compliant Countries

- The following list groups the U.S. (Green) along with both qualifying (Blue) and designated countries (Red; including Free Trade Agreement, least developed, and Caribbean Basin countries), all of which comprise “TAA Compliant Countries.” Those countries listed in Purple are both “qualifying and designated” for purposes of TAA.
- Afghanistan, Angola, Antigua and Barbuda, Armenia, Aruba, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Belize, Benin, Bhutan, Bonaire, British Virgin Islands, Burkina Faso, Bulgaria, Burundi, Cambodia, Canada, Central African Republic, Chad, Chile, Colombia, Comoros, Costa Rica, Croatia, Curacao, Cyprus, Czech Republic, Democratic Republic of Congo, Denmark, Djibouti, Dominica, Dominican Republic, Egypt, El Salvador, Estonia, Equatorial Guinea, Eritrea, Ethiopia, Finland, France, Gambia, Germany, Grenada, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Jamaica, Japan, Kiribati, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Laos, Lesotho, Liberia, Luxembourg, Madagascar, Malawi, Mali, Malta, Mauritania, Mexico, Montserrat, Morocco, Mozambique, Nepal, Netherlands, Nicaragua, Niger, Norway, Oman, Panama, Peru, Poland, Portugal, Romania, Rwanda, Saba, Samoa, Sao Tome and Principe, Senegal, Sierra Leone, Singapore, Sint Eustatius, Sint Maarten, St. Kitts and Nevis, Slovak Republic, Slovenia, Solomon Islands, Somalia, South Sudan, Spain, St. Lucia, St. Vincent and the Grenadines, Sweden, Switzerland, Taiwan, Tanzania, Timor-Leste, Togo, Trinidad and Tobago, Turkey, Tuvalu, Uganda, United Kingdom, United States, Vanuatu, Yemen, Zambia.

***** This list is accurate as of 10/1/2015, but subject to change. See DFARS 252.225-7021 for periodic updates as well as FAR 25.003.



Area of Responsibility (AOR)





Customers

| IRAQ CUSTOMERS | | | KUWAIT CUSTOMERS | | | JORDAN CUSTOMERS | | | | | |
|----------------|---------|--------|------------------|---|-----------|------------------|--------------|---|-----------|--------|-----------------|
| | Service | DODAAC | Unit Name | | Service | DODAAC | Unit Name | | Service | DODAAC | Unit Name |
| 1 | DoS | W98BA2 | Basrah | 1 | Air Force | FT9294 | Ali Al Salem | 1 | Air Force | FT9289 | Al Azraq |
| 2 | DoS | W98J01 | Chancery | 2 | Air Force | FT929M | Al Mubarak | 2 | Army | W98H05 | Prince Hassan |
| 3 | DoS | W98D53 | BDSC | 3 | Air Force | FT9293 | Al Jaber | 3 | Army | W98BOR | Border Site |
| 4 | Army | W98D08 | BDSC | 4 | Navy | WKNB01 | KNB | 4 | Army | W98JTC | JTC Zarqa |
| 5 | Army | W98U03 | Emmsa | 5 | Army | W98BER | Buehring | 5 | Army | W9PHRB | Phrb Site Zarqa |
| 6 | Army | W98B03 | Besemaya | 6 | Army | W98BC1 | Buehring | 6 | Army | W56RQX | Kasotc Amman |
| 7 | Army | W98C05 | Taji | 7 | Army | WZONE2 | Camp Arifjan | 7 | Army | W98HUM | Humaymah Aqaba |
| 8 | Army | W98IRB | Erbil | 8 | Army | WARLTN | Camp Arifjan | | | | |
| 9 | Army | W98B01 | Al Asad | 9 | Army | W91RH2 | Camp Arifjan | | | | |
| 10 | Army | W98B10 | Al Taqaddum | | | | | | | | |

NOTE: Though the solicitation describes existing customers that are known at the time of the solicitation's issuance, other customers, including military, Department of Defense ("DoD"), or non-DOD, may be added. The subsequent addition of said customers located within the solicitation's specified region will be at no additional cost to the Government.



Acquisition Strategy

- **Contract Details:**

- Fixed Price with Economic Price Adjustment, Indefinite Delivery, Indefinite Quantity (IDIQ) type contract
 - Not a Cost Reimbursement Contract
- Full and open competition
- Best value / tradeoff process as outlined in FAR 15.101-1
- The Government may accept other than the lowest priced proposal as the overall best value
- DLA Troop Support intends to make one award
- All deliveries F.O.B. Destination to the end user delivery points
- Local procurement is encouraged
- Surge and sustainment requirements
- Ethics plan required in accordance with FAR 52.203-13
- Prime Vendor is required to maintain 60 days of supply at all times at each OCONUS warehouse location



Subsistence Prime Vendor The Prime Vendor Way

STORES
provides one
stop shopping
for all food

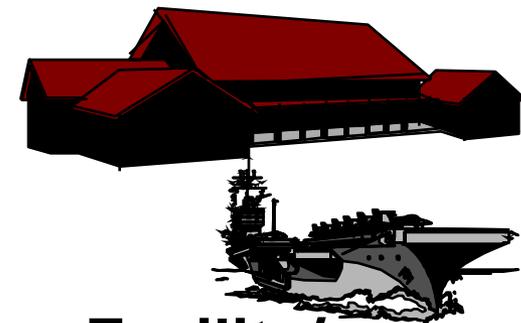


Orders

**DLA Troop
Support**



Installation

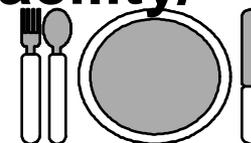


**Contract
Vendor**



Both
Semiperishable
& Perishable

**Dining Facility/
Ship**





What's Different

- **Kuwait, Iraq and Jordan Distribution Network (Solicitation p. 11):**
 - At a minimum, the Prime Vendor is required to have one (1) Outside the Continental United States (“OCONUS”) physical warehouse location and distribution network located within Kuwait
- **Tiered Pricing Periods (p. 12):**
 - Term of 60 months
 - Three separate pricing tiers
 - First tier is 24-months (inclusive of an up to 6-month ramp-up period)
 - Second and third tiers are 18-months each
 - Guaranteed minimum - 10% of estimated total dollar value (approximately \$45M)



What's Different

- **Residual Inventory (p. 13):**

- In the event that a new Prime Vendor is awarded the contract, said Prime Vendor will be required to procure available product from the incumbent Prime Vendor, subject to specific conditions.
- Quantities sold shall be:
 - Minimum of 2 months of stock (Est. \$13.7M product price only)
 - Not exceed 8 months of stock (Est. \$55.4M product price only)
- The new Prime Vendor will be entitled to:
 - 50% of its standard distribution price upon customer delivery during contract performance
 - If applicable, 100% of its non-standard distribution price



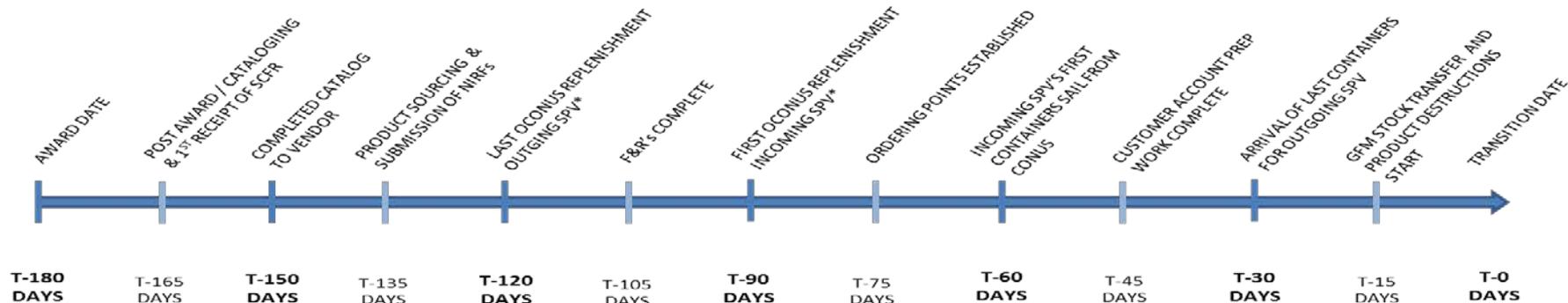
What's Different

- **Contract Implementation Plan (p. 15)**

- Milestones are established in the contract for the transition. The following events will take place after contract award:

- 10-15 days: Post Award Conference
- 45 days: Initiate Product Sourcing
- 60 days: Last replenishment order for outgoing SPV
- 120 days: Containers sail from CONUS
- 150 days: Arrival of last container for outgoing SPV
- 165 days: Stock Transfer

Sample Transition Timeline





What's Different?

- **Commercial Air into Iraq (p. 19)**
 - Non-standard distribution price category

 - Applies when ground movement within Iraq is not possible
 - Based on conditions within the country
 - TRANSCOM tenders are not available

 - Contracting Officer must authorize this type of delivery

 - This category is Iraq-specific
 - Supplements the standard distribution price
 - Represents costs associated with performing commercial air movement
 - Business risk, insurance, demurrage, tri-walls, ice, commercial airlifting of product from airfield to airfield

 - Costs should not be included in:
 - Standard distribution price
 - Other non-standard distribution prices



What's Different?

- **Domestic Item Preference (p. 22)**

- The Contracting Officer may direct the Prime Vendor to source a domestic equivalent item locally at no additional cost to the Government.
- Local Market Ready Distribution Price Category will be utilized

- **National Contracts (p. 24)**

- Chicken contract awarded to Tyson
- Beef, pork, turkey, and seafood solicitations are being developed

- **Rebate / Discount language (p. 31):**

- Limits early payment discount to 2%, 10 days
- All discounts, rebates, allowances or other similar economic incentives or benefits shall be passed to the Government via a reduced catalog price



What's Different?

- **Audit Language (p. 33):**

- The Government shall have the right to examine and audit records relevant to:
 - Discounts, rebates, allowances or other similar economic incentives or benefits
 - Commercial customer product prices
 - Prime Vendor's electronic purchasing system

- **Item Availability (p. 33):**

- Items projected to be not in stock ("NIS") for more than 21 days will be airlifted from CONUS at the Prime Vendor's expense

- **Quality Systems Management Visits (QSMV) (p. 85):**

- Prime Vendor may be liable for Government costs incurred if a follow-up audit is required



What's Different?

- **Private Convoy Security (p. 46 and p. 94)**
 - Private Security currently a necessity for movement only within Iraq
 - Includes customers located within Iraq's Kurdistan territory
 - Movement authorization/country clearances may be required from the Iraq Government
 - Prime Vendor responsible for obtaining any customs documentation required for movement from Kuwait into Iraq
 - Health certificates, visas for drivers, export declarations, invoices, packing lists and certificates of origin
 - Additional requirements may become necessary at the Prime Vendor's expense
 - Names of facilities/locations may change during the life of the contract
 - Significant delays may be experienced due to base security procedures, road closures or weather conditions



What's Different?

- **Fill Rates (p. 104):**

- Will be measured in the following four categories:
 - CONUS Procured Non-Catch Weight
 - CONUS Procured Catch Weight
 - OCONUS Procured Non-Catch Weight
 - OCONUS Procured Catch Weight
- Required minimum fill-rate is 98% for each category

- **In-Process Reviews (IPRs) (p 108):**

- At least once per year at DLA Troop Support Philadelphia
- At no additional cost to the Government
- At a minimum must include the contract administrator and/or program manager



What's Different?

- **Other Considerations (p. 119):**
 - Prime Vendor will:
 - Cooperate in any investigation
 - Ensure subcontractor/partner cooperation in any investigation
 - To include making officials available for interviews, production of records, etc.
 - Submit specific monthly reports (p. 113 -117)
 - Signed by a senior official of the company (i.e. Chief Financial Officer or higher)



What's Different?

- **Manufacturer's Quote Sheet (p. 142):**
 - Submit one for each item in market basket
 - Must be completed by manufacturer
- **Factor IV. Resource Availability (p. 147):**
 - Financial assessment by DCMA
 - More favorable to have signed carrier/contractor agreements at time of proposal submission



What's Different?

- **Factor V - Implementation and Management Plan (p. 147)**
 - Government will evaluate offeror's implementation plan from contract award to fully operational capability
 - Proposals less dependent upon Government action will generally be rated more favorably
 - All elements of offeror's supply chain management plan will be evaluated
 - Purchasing
 - Defense Transportation System (DTS) transit times
 - Warehouse and inventory management
 - Offeror's key personnel, by position and experience, will be examined



What's Different?

- **Pricing Strategy:**

- Different formulas to determine Contract Unit Price
- Pre-set categories by Unit of Measure
- Only 18 distribution price categories plus 5 sub-categories
- Two distribution price elements (i.e., standard and non-standard)

- **Market Basket (Attachment 2):**

- In accordance with DLAD 17.9501, “Market Basket”
- 90 top sales items
- No changes may be made to an item’s designated distribution category



What's Not Different

- Risk of Loss
- Contractor bears all risk until title passes
 - Personal injury, death
 - Loss or damage of equipment
 - Employees, agents, subcontractors
 - During transportation
- Firm Fixed Price Contract...NOT A COST REIMBURSEMENT CONTRACT



Statement of Work Review

Surge and Sustainment

- Surge: an increase in military feeding of 300% of peacetime demand for a period of up to 30 days without advance notice
 - Example: Item has pre-surge demand of 100 cases/wk. Prime Vendor is expected to support 300 cases/week for 30 days
- Sustainment: ability to sustain an increased pace throughout a contingency(s) for 6 months +
- Primary consideration in all acquisitions
- All DLA contractors are accountable for surge and sustainment performance, ensuring surge capability actually exists, and validating surge capability through surge testing



Statement of Work Review

Defense Transportation System (DTS)

- **Prime Vendor:**

- Required to ship product over ocean through the United States Defense Transportation System (DTS)
- Contact the DLA Distribution, New Cumberland, Pennsylvania and request bookings
- Must enter into an agreement with the DTS carriers to develop a claims process in accordance with the most recent DTS contract
- Must pay the carriers directly for any detention, port storage or maintenance charges in accordance with the DTS contract

- **Carriers:**

- Must pay the contractor directly for any charges for loss/damage to contractor's cargo

- **The Government is not liable for any loss or damage to the contractor's products shipped through DTS**



Technical Proposal Submission Requirements

- Technical Factors:
 - Section A:
 - I. Warehouse Location and Capacity
 - II. Experience
 - III. Quality Control, Assurance, and Warehouse Management System/ Procedure
 - IV. Resource Availability (Cash Flow, Equipment, and Carrier Agreements)
 - V. Implementation and Management Plan
 - Section B:
 - Past Performance



Technical Proposal Submission Requirements

- Each of Tech Factors I-V and Past Performance are of equal importance to each other.
- Tech Factors I-V and Past Performance are significantly more important than Price
- As proposals become more equal in their technical merit, the evaluated price becomes more important
- An unacceptable rating on any individual factor will be considered technically unacceptable and will not be eligible for award



Technical Proposal Submission Requirements

Factor I. Warehouse, Location, and Capacity:

- Warehouse Location
- Owned or leased
- Concept of operations
- Ongoing or proposed construction
- Upgrades
- Warehouse capacity
- Available yard space



Technical Proposal Submission Requirements

Factor II. Experience

- Up to five highest dollar value contracts
 - 12 months preceding closing date of solicitation
 - Point of Contact
 - Time Period
 - Dollar Value
 - Number of customers
 - Worked performed
 - Size and/or complexity



Technical Proposal Submission Requirements

Factor III. Quality Control, Assurance, and Warehouse Management System Procedures

- Supply Chain Management Plan
- Warehouse Management System
- Quality control procedures
- Inventory management
- Quality Assurance personnel
- Government access



Technical Proposal Submission Requirements

Factor IV. Resource Availability (Cash Flow, Equipment, and Carrier Agreements)

- Financial capability
- Equipment resources
- Maintenance/service
- Carrier agreements



Technical Proposal Submission Requirements

Factor V. Implementation and Management Plan

- Implementation Plan
- Supply chain management plan
- Dependence upon Government
- Organizational/management chart & key personnel



Technical Proposal Submission Requirements

Section B: Past Performance

- Up to five highest dollar value contracts
 - 12 months preceding closing date of solicitation
 - Point of Contact
 - Time Period
 - Dollar Value
 - Number of customers
 - Worked performed
 - Size and/or complexity
- Questionnaire



Evaluation Criteria

- FAR 52.212-2: Evaluation - Commercial Items
- Addendum to FAR 52.212-2 (p. 145)
 - Para (a) expanded to describe how Technical and Business Proposals will be evaluated
 - Para (d) added to describe Source Selection and Evaluation Procedures



Statement of Work Contract Pricing Language

- **Contract Unit Price:**
 - Total price in US currency charged to Government per delivered unit
 - Contract Unit Price = Product Price + Distribution Price
(Standard and Non-Standard)
 - Multiple Unit Prices for the same item are not permitted



Statement of Work Contract Pricing Language

- **Product Price:**
 - Based on FOB Origin/Point of Manufacturer
 - Most recent Manufacturer's Price Agreement (MPA) price or most recent manufacturer, grower or private label holder commercial price
 - Excludes all costs that are to be covered in the Distribution Price
 - Exceptions:
 - FF&V
 - CONUS-based "National Price" considered "FOB destination"
 - Mandatory source items
 - Decorations
 - CONUS-based redistributors



Statement of Work Contract Pricing Language

- **Distribution Price:**
 - Fixed price portion of the Contract Unit Price
 - Offered as a dollar amount per unit of measure
 - Only method to bill Government for all aspects of contract performance other than product price
 - Standard and Non-Standard prices
 - 18 Distribution Price Categories + 5 Subcategories



Statement of Work Contract Pricing Language

Contract Unit Price = Product Price + Standard Distribution Price

- Iraq, Jordan & Kuwait

Contract Unit Price = Product Price + Standard Distribution Price + Non-Standard Distribution Price for

- Ground Movement within Iraq **With** Private Convoy Security

Contract Unit Price = Product Price + Standard Distribution Price + Non-Standard Distribution Price for

- Ground Movement within Iraq **Without** Private Convoy Security

Contract Unit Price = Product Price + Standard Distribution Price + Non-Standard Distribution Price for Commercial

- Air Movement to Iraq



Statement of Work Contract Pricing Language

- **Standard Distribution Price:**
 - Includes all elements of the unit price
 - Other than the product price and non-standard distribution price
 - Remains constant for the life of all tier pricing periods
 - Includes all performance
 - Except aspects of performance specifically included in the non-standard distribution price
 - For FF&V items no importer charges
 - Do not include the same performance or cost element in both the standard and non-standard distribution prices



Statement of Work Contract Pricing Language

- Standard Distribution, includes but not limited to:
 - Customer Service Representative Program (CSR)
 - Emergency Airlifts from out of country to contractor's OCONUS distribution facility
 - Intra-Theater Asset Visibility and Tracking - Global Positioning System (GPS)
 - Static Security



Statement of Work

Contract Pricing Language

- **Non-Standard Distribution Prices for Iraq with or without Private Convoy Security and Commercial Air Movement:**
 - Unique costs associated with performing contractual obligations within Iraq includes but are not limited to:
 - Business risk
 - Unique personnel
 - Changes to:
 - Border-crossing locations
 - Insurance
 - Recovery
 - Demurrage
 - Vehicles
 - Tri-walls, ice, commercial airlifting
 - Product from airfield to airfield
 - Other reasonable and allowable costs



Market Basket: Tab 1 Totals

| Solicitation #: | SPES00-16-R-0042 | INSERT OFFEROR NAME AND COMMERCIAL AND GOVERNMENT ENTITY (CAGE) CODE | | | | | | | |
|--|--------------------|--|---|------------------------|------------------------|--|---|---|------|
| Region: | KUWAIT/IRAQ/JORDAN | | | | | | | | |
| Length Tier #1 (months) | 24 | AGGREGATE TOTALS | | | | | | | |
| Length Tier #2 (months) | 18 | | | | | | | | |
| Length Tier #3 (months) | 18 | | | | | | | | |
| | | Product Prices | Weighted Product Prices (Product Price * 0.3) | Distribution / Tier #1 | Distribution / Tier #2 | Distribution / Tier #3 | Unit Price | % of Standard & Non Standard Distribution Price applied to totals | |
| Kuwait-Iraq-Jordan (Standard Distribution Quantity) | | #DIV/0! | #DIV/0! | \$- | \$- | \$- | #DIV/0! | Standard | 100% |
| Iraq Non-Standard Distribution for Ground Movement Inclusive of Private Convoy Security Quantity | | #DIV/0! | #DIV/0! | \$- | \$- | \$- | #DIV/0! | Non-Standard Inclusive of Private Convoy Security | 95% |
| Iraq Non-Standard Distribution for Ground Movement without Private Convoy Security Quantity | | #DIV/0! | #DIV/0! | \$- | \$- | \$- | #DIV/0! | Non-Standard without Private Convoy Security | 95% |
| Iraq Non-Standard Distribution for Air Movement - UOM converted to LBS Quantity | | #DIV/0! | #DIV/0! | \$- | \$- | \$- | #DIV/0! | Non-Standard w/Air Support | 5% |
| Product Price + Standard Distribution Price (weighted @0.3) | | #DIV/0! | | #DIV/0! | | | | | |
| Product Price + Standard Distribution Price + Non-Standard Distribution Price for Ground Movement Inclusive of Private Convoy Security | | #DIV/0! | | | | | | | |
| Product Price + Standard Distribution Price + Non-Standard Distribution Price for Ground Movement without Private Convoy Security | | | | #DIV/0! | | | | | |
| Product Price + Standard Distribution Price + Non-Standard Distribution Price for Air Movement - UOM converted to LBS | | #DIV/0! | | #DIV/0! | | Weighted % for Non-Standard Inclusive of Private Convoy Security | Weighted % for Non-Standard without Private Convoy Security | AGGREGATE | |
| Total | | #DIV/0! | | #DIV/0! | | 90% | 10% | #DIV/0! | |



Market Basket: Tab 2 Distribution Price Category Worksheet

INSERT OFFEROR NAME AND COMMERCIAL AND GOVERNMENT ENTITY (CAGE) CODE

DISTRIBUTION PRICE

| Category# | Category Description | # of Items in Category | Distribution Price Category Unit of Measure | Annual Quantity in UOM Listed in Column B | Kuwait-Iraq-Jordan (Standard Distribution Price Offered) Tier #1 | Kuwait-Iraq-Jordan (Standard Distribution Price Offered) Tier #2 | Kuwait-Iraq-Jordan (Standard Distribution Price Offered) Tier #3 | Iraq Non-Standard Distribution Price Offered for Ground Movement Inclusive of Private Convey Security Tier #1 | Iraq Non-Standard Distribution Price Offered for Ground Movement Inclusive of Private Convey Security Tier #2 | Iraq Non-Standard Distribution Price Offered for Ground Movement Inclusive of Private Convey Security Tier #3 | Iraq Non-Standard Distribution Price Offered for Ground Movement without Private Convey Security Tier #1 | Iraq Non-Standard Distribution Price Offered for Ground Movement without Private Convey Security Tier #2 | Iraq Non-Standard Distribution Price Offered for Ground Movement without Private Convey Security Tier #3 | Iraq Non-Standard Distribution Price Offered for Air Movement - UOM converted to LBS Tier #1 | Iraq Non-Standard Distribution Price Offered for Air Movement - UOM converted to LBS Tier #2 | Iraq Non-Standard Distribution Price Offered for Air Movement - UOM converted to LBS Tier #3 |
|-----------|---|------------------------|---|---|--|--|--|---|---|---|--|--|--|--|--|--|
| 1 | CONUS DRY CS | 12 | CS | 202054 | | | | | | | | | | | | |
| 1A | CONUS DRY CS (For Product Price Exceptions B, C, D, or E) | 0 | CS | 0 | | | | | | | | | | | | |
| 2 | CONUS DRY EA (UOM for EA = 1 CO) | 7 | EA | 41532 | | | | | | | | | | | | |
| 2A | CONUS DRY EA (For Product Price Exceptions B, C, D, or E) (UOM for EA = 1 CO) | 0 | EA | 0 | | | | | | | | | | | | |
| 3 | CONUS FZN CS | 8 | CS | 90724 | | | | | | | | | | | | |
| 3A | CONUS FZN CS (For Product Price Exceptions B, C, D, or E) | 0 | CS | 0 | | | | | | | | | | | | |
| 4 | CONUS FZN LB | 26 | LB | 5494512 | | | | | | | | | | | | |
| 4A | CONUS FZN LB (For Product Price Exceptions B, C, D, or E) | 0 | LB | 0 | | | | | | | | | | | | |
| 5 | CONUS CHILLED CS | 7 | CS | 53524 | | | | | | | | | | | | |
| 5A | CONUS CHILLED CS (For Product Price Exceptions B, C, D, or E) | 0 | CS | 0 | | | | | | | | | | | | |
| 6 | CONUS DRY CS | 8 | CS | 144903 | | | | | | | | | | | | |
| 7 | CONUS FZN CS | 4 | CS | 3154 | | | | | | | | | | | | |
| 8 | CONUS CHILLED CS | 5 | CS | 78698 | | | | | | | | | | | | |
| 9 | CONUS CHILLED LB | 1 | LB | 12586 | | | | | | | | | | | | |
| 10 | CONUS FF&V (For Product Price Exception A) | 7 | LB | 2426797 | | | | | | | | | | | | |
| 11 | CONUS WATER CS (Potable - Bottled) | 4 | CS | 407106 | | | | | | | | | | | | |
| 12 | DISPOSAL (Incl. Trans. Approved at the Contracting Officer's Discretion) | 0 | CS | 1636 | | | | | | | | | | | | |
| 13 | RESTOCKING PRICE FOR ORDERS OVER \$10K (Approved at the Contracting Officer's Discretion) | 0 | CS | 3000 | | | | | | | | | | | | |
| 14 | EFM Distribution, Storage, Rework, Relabel, Dry (Single Case/Box) | 0 | CS | 6803 | | | | | | | | | | | | |
| 15 | EFM Distribution, Storage, Rework, Relabel, Dry (2 Cases per Module) EA = 2 cases | 0 | EA | 7063 | | | | | | | | | | | | |
| 16 | EFM Distribution, Storage, Rework, Relabel, Dry (3 Cases per Module) EA = 3 cases | 0 | EA | 24805 | | | | | | | | | | | | |
| 17 | EFM Distribution, Storage, Rework, Relabel, FRZ (Single Case/Box) | 0 | CS | 8673 | | | | | | | | | | | | |
| 18 | FSOS (Non-Food) by the CS | 1 | CS | 2277 | | | | | | | | | | | | |



Market Basket: Tab 3 Market Basket

| INSERT OFFEROR NAME AND COMMERCIAL AND GOVERNMENT ENTITY (CAGE) CODE | | | | | | | | | | | | | ANNUAL QTY BASED ON OFFERED ITEM | | | |
|--|---------------|---|----------------------|--------------------------------------|-----------------------------------|--|-------------------|--|--|---------------------------------|-------------------------|---|---|--|---|--|
| Line Item | Stock Number | Item Description | Item Description UoM | Evaluated Units Per UoM (Historical) | Evaluated Units Per UoM (Offered) | Quoted Product Price (dated no earlier than Dec. 18, 2015) | Case Price? (Y/N) | Product Price Exception B, C, D, OR E Applies? (Y/N) | Product Price Adjusted When Category UoM is not case or each | Distribution Price Category UoM | Distribution Category # | Kuwait-Iraq-Jordan (Standard Distribution Quantity) | Non-Standard Distribution Quantity for Ground Movement Within Iraq Inclusive of Private Convoy Security | Non-Standard Distribution Quantity for Ground Movement Within Iraq without Private Convoy Security | Non-Standard Distribution Quantity for Commercial Air Movement to Iraq - UOM converted to LBS | |
| 1 | 896001E622856 | DRINK,VRTY,8EA CITRUS PUNCH,GRAPE,SBERRY KIW,VTM,N FORTIFED, 24/12 FL OZ CO | EA (~12 oz) | 24 | 24.00 | \$12.50 | Y | N/A | \$12.50 | CS | 1 | 64722 | 23838 | 23838 | 429084 | |
| 2 | 896001E615145 | DRINK, CBERRY COCKTAIL,,27% JUICE, 24/10 FL OZ CO | EA (~10 oz) | 24 | 24.00 | \$12.50 | N | N/A | \$0.52 | CS | 1 | 53497 | 18866 | 18866 | 282990 | |
| 3 | 892501E610410 | NUTS, MIXED, SHL, W/PEANUTS, OIL, RST, 6/3.5# CANS | EA (~3.5 lb can) | 6 | 3.00 | \$6.00 | N | Y | \$2.00 | CS | 1A | 5745 | 2786 | 2786 | 58506 | |
| 4 | 894001E612327 | MEAL REPLACEMENT BAR, DOUBLE CHOC, W/PROTEIN, 48/1.59 OZ EA, SPECIAL K | EA (~1.59 oz) | 48 | | | | | \$0.00 | CS | 1 | 12938 | 5733 | 5733 | 28665 | |
| 5 | 894001E612326 | MEAL REPLACEMENT BAR, CHOC PEANUT BTR, FORTIFIED W/PROTEIN, 48/1.59 OZ PG | EA (~1.59 oz) | 48 | | | | | \$0.00 | CS | 1 | 12762 | 5792 | 5792 | 28960 | |
| 6 | 890501E950082 | TUNA, LIGHT, 6/43 OZ FLEXIBLE POUCH PG | EA (~43 oz) | 6 | | | | | \$0.00 | CS | 1 | 9893 | 3113 | 3113 | 49808 | |
| 7 | 892001E603473 | CEREAL, VARIETY, HEALTHY, 60/1.25-2.7 OZCO, 1/8.25 LB CS | EA (~2 oz) | 60 | | | | | \$0.00 | CS | 1 | 11450 | 2714 | 2714 | 22391 | |
| 8 | 892001E622162 | CEREAL, VARIETY, GEN MILLS, FAMILY PACK, 60/1.3-2.6 OZ CUP, 1/6.98 LB CS | EA (~2 oz) | 60 | | | | | \$0.00 | CS | 1 | 12801 | 3033 | 3033 | 21231 | |
| 9 | 892001E598920 | CEREAL, VARIETY, KELLOGGS, 1.3-2.8 OZ CUPS, 60 CT, 1/7.5 LB CS | EA (~2 oz) | 60 | | | | | \$0.00 | CS | 1 | 11760 | 2998 | 2998 | 22485 | |
| 10 | 891501E099539 | BEANS, BLK-EYED PEAS, CN, IN BRINE, 6/#10 CN | EA (#10 CAN) | 6 | | | | | \$0.00 | CS | 1 | 2823 | 1561 | 1561 | 63221 | |



Manufacturer Quote Sheet (p. 143)

SPE300-15-R-0042 Subsistence Prime Vendor Kuwait, Iraq, and Jordan – Attachment 1

**OFFICIAL DLA TROOP SUPPORT OCONUS SUBSISTENCE QUOTE SHEET
MUST BE COMPLETED BY MANUFACTURER****Solicitation: SPE300-15-R-0042
Region: Kuwait, Iraq, and Jordan**

| | |
|------------------|--|
| Offeror Name: | |
| Offeror Address: | |

This is the official quote sheet for the above referenced solicitation and region. In order for this quote to be valid, all fields must be completed by the manufacturer (MFG). A completed copy of this sheet must accompany each offered item. This form may not be changed or alternated in any way other than by completing the required information.

MANUFACTURER INFORMATION:

| | |
|---|--|
| MFG Name (Label and Parent Company): | |
| MFG POC for Military Sales (First and Last Name / Valid Phone Number and E-mail address): | |
| Date of quote | |

ITEM INFORMATION:

| | |
|---|--|
| Market Basket Stock Number | |
| Quoted Stock Number (if different from Market Basket item) | |
| MFG Item Description and Case Size | |
| Global Trade Item Number (GTIN)(or MFG SKU) | |
| Market Basket QTY and Unit of Measure | |

PRICING INFORMATION:

| | | |
|---|--|--|
| A | FOB Origin Product Price, without exception, as appears on quote: | |
| B | DLAD 52.216-9065 Product Price Exception (Circle one A, B, C, D or E) as appears on quote: | |
| C | NAPA Discount, if applicable: | |
| D | Final Product Price without exception (A minus C = D): | |
| E | Final Product Price (B minus C = E): | |
| F | Time period Price Quote is effective: | |
| G | Payment Terms (Early payment discount no more than 2% / Early payment required within 10 days to obtain the discount): | |

NOTE: 1) MFK SKU can only be used if GTIN is not available
2) Block F must be valid through the first month of contract performance



Proposal Preparation/Submission

- **Volume I – Solicitation**
 - One written / One Electronic

- **Volume II – Technical Proposal**
 - Six written / One Electronic

- **Volume III – Business Proposal/Pricing**
 - Two written / One Electronic



Proposal Preparation – Volume I

- **Print/Complete/Submit and/or Create**
 - **Solicitation/Statement of Work/Amendments**
 - Solicitation page 1 (blocks 17a & 30a-c)
 - Solicitation pages 32-46 (52.212-3)
 - SOW pages 2, 3 and 6
 - Amendments page 1 (blocks 8 & 15a-c)
 - All fill-ins – all documents
 - **Affiliates, subsidiaries, and partially or wholly-owned companies that will be utilized for this contract.**
 - If not applicable, a negative reply is required.
 - **Include other clause/provision related documents as required**
 - 52.219-9 Small Business Subcontracting Plan



Proposal Preparation – Volume II

- **Technical Proposal**

- No reference to pricing data
- Distribute the performance questionnaire
 - Follow-up to ensure compliance
- Provide the information requested for each non-price component
 - SOW pages 127-134
 - Address each element of each Factor (I-V) & Past Performance



Proposal Preparation – Volume III

- **Business Proposal/Pricing**
 - Element 1 – Aggregate Offer
 - From the “Totals” tab
 - Element 2 – Category Distribution Prices
 - Use the “Distribution Category Worksheet” tab
 - 23 categories (1-18 and sub-categories 1A-5A)
 - Insert standard and non-standard distribution prices
 - Element 3 – Item Product Prices
 - Use the “Market Basket” tab
 - 90 Market Basket Items
 - Element 4 – Manufacturer Quotes
 - Must be completed by the manufacturer
 - Dated no earlier than December 18, 2015
 - Quote may expire before offer expires, but product price must be held for first catalog. Risk must be factored in distribution price.
 - Element 5 – Discounts, Rebates, Allowances or Other Similar Economic Incentives or Benefits



Acquisition POCs

- Raynard Jamison, Acquisition Specialist
 - (215)737-7427
 - Raynard.Jamison@dla.mil
- Linda Ford, Contracting Officer
 - (215)737-7804
 - Linda.Ford@dla.mil
- Kathryn Cosenza, IST Chief/Contracting Officer
 - (215) 737-7542
 - Kathryn.Cosenza@dla.mil



DLA TROOP SUPPORT BUSINESS INTEGRITY

Christopher Valentino, Supv. Programs Counsel, 215-737-2637

Keith Feigenbaum, Senior Fraud and Litigation Counsel

John Basiak, Senior Trial Counsel

Lilian Weiss, Asst Fraud Counsel



TROOP SUPPORT BUSINESS INTEGRITY

- All contractors/offerors on an even playing field
- All questions should be directed to the Contracting Officer or designees
- Company proprietary information will be safeguarded by the KO
- Responses to relevant questions will not release proprietary information



TROOP SUPPORT BUSINESS INTEGRITY

- Caution Notice (p. 4)
- FAR 3.10 Contractor Code of Business Ethics and Conduct
- FAR 52.203-13, Contractor Code of Business Ethics and Conduct
- Policy
 - Govt contractors must conduct themselves with highest degree of integrity and honesty
 - Contractors should have a written code of business ethics and conduct
 - Ethics and compliance training program and internal control system that:
 - (a) Are suitable for size of company and extent of Government contracting
 - (b) Facilitate timely discovery and disclosure of improper conduct
 - (c) Ensure corrective measures are promptly instituted and carried out
- Used in contracts/solicitations over \$5.5 Million/in excess of 120 days
- Flow down to subcontractors valued in excess of \$5.5 Million/120 days
- All disclosures of violations of False Claims Act or Federal criminal law shall be directed to DODIG/Contractor Disclosure office with a copy to the Contracting Officer



TROOP SUPPORT BUSINESS INTEGRITY

**DODIG Contractor Disclosure Program
Program Manager Ms. Lynn McCormick**

**DoD Office of the Inspector General
Investigative Policy and Oversight
4800 Mark Center Drive, Suite 11H25
Arlington, VA 22350-1500**

**Phone – 866-429-8011 or 703-604-8711
Fax – (571) 372-7457**

Website: <http://www.dodig.mil/programs/CD/index.html>



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



DLA Troop Support Iraq Region Pre-Proposal Conference National Contracts

Philadelphia Airport Hilton
29 December 2015



National Contracts

- Leaner Supply Chain
 - 150+ protein suppliers for OCONUS PV contracts
 - Source loading from fewer locations
 - Leverage the **best price** since all OCONUS SPVs will be using the product selected by the military services and its authorized customers.
 - Consistent Quality- Specification
 - Menu Revisions – Healthier Eating
- Suggested by Industry

The contract(s) awarded as a result of these solicitations will replace the MPA Program for chicken, beef, turkey, pork and seafood products.



National Contracts

- Lot 2 (Unrestricted) awarded to Tyson Foods, Inc. on March 5, 2014
 - Prime Vendors have been depleting current inventories and must begin ordering from Tyson
 - Estimated 3-year contract dollar value \$270 Million (\$444 Million Maximum)



National Contracts

- Solicitations in the Pipeline
 - Beef
 - Pork
 - Turkey
 - Seafood



National Contracts

- Contract Compliance
 - Subsistence Prime Vendors (SPVs) will be notified of award of national contract.
 - SPV and National Contract Awardee are required to enter into agreements as to provide a seamless transition to the national contracted items to avoid NIS and mitigate/eliminate airlift.
 - Container Utilization requirements
 - Timings – eat down and ramp up to new products



Points of Contact

- **Timothy Dlugokecki**, Chief, National Contracts Team & Contracting Officer
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Points of Contact

- **Robin Novak**, Acquisition Specialist – Seafood
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- **Sonny Cosmas**, Acquisition Specialist – Pork
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Questions ?



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



DLA Information Operations

STORES Presentation:
Preproposal for Iraq Solicitations

WARFIGHTER SUPPORT

STEWARDSHIP EXCELLENCE

WORKFORCE DEVELOPMENT



Agenda

- STORES catalog update process
- Catalog elements and examples
- Invoice and reconciliation process
- EDI Guidelines



STORES Catalog Update Process

| Step | Description | Timing (based on Philadelphia time) |
|------|--|---|
| 1 | Catalog update submitted via 832 or on-line from vendor | Monday thru Friday at noon |
| 2 | Catalog placed in “temp” database table by system | When vendor submits |
| 3 | Catalog reviewed by Troop Support | When vendor submits |
| 4 | Troop Support contacts vendor if any discrepancies are found | After review in step 3 |
| 5 | Troop Support Customer Ops AND Supplier Ops approve item if fair and reasonable | After one or more iterations of steps 3 and 4 |
| 6 | Database update process occurs | Sunday, 12:01 AM |
| 7 | Approved catalog item updates moved to “active” database table and to STORES Web | After Sunday, 12:01 AM run |
| 8 | Customer logs on STORES and sees updated catalog | Once step 7 is complete |

Note: Steps 1-4 will be repeated until catalog is correct



Catalog Elements



Elements - Item identification

| Element | | Description |
|-----------------------|---|--|
| DSCP item description | M | 80 character in the clear description of an item |
| Stock Number | M | 13 Character DSCP stock number |
| Vendor Part Number | M | Internal number vendor has assigned to the item |
| Vendor SKU | O | SKU number of item (if applicable) |



Elements - How DLA and vendor sells the item

| Element | | Description |
|-----------------------|---|--|
| Unit of Issue | * | Units by which DLA sells item and customer "Issues" item |
| Unit of Measure | M | Units by which the vendor sells the item |
| Ratio numerator | M | Numerator of purchase ratio factor which is the ratio between how the vendor sells the item (Unit of Measure) and how DLA sells the item (Unit of Issue) |
| Ratio denominator | M | Denominator of PRF (see Ratio numerator) |
| Catch weight multiple | C | Number of units (in LBs) that must be ordered to purchase 1 case of product |

* Not part of vendor catalog submission



Elements - Pricing and distribution fees

| Element | | Description |
|--------------------------------|---|---|
| Vendor price | M | Weekly price of item per UoM (incl. distribution fee) |
| Product price | M | Price excluding distribution fee (per UoM) |
| Distribution fee for UoM | M | Dollar amount for distribution fee per vendor Unit of Measure |
| Distribution fee category code | M | 4 Character code designating distribution fee category |



Elements - Units within the case

| Element | | Description |
|-------------------------|---|---|
| Units per purchase pack | M | Number of Intermediate units within vendor Unit of Measure 24 – 12 OZ CN |
| Package size | M | Number of measures in intermediate package. Example: 12 OZ CN |
| Package Unit of Measure | M | How intermediate package is measured. Example: 12 OZ CN |
| Packaging code | M | How intermediate unit is packaged. Example: 12 OZ CN |



Good Catalog Examples

| | | | |
|----------------------------|---|--------------------------------|-----------------------------------|
| Stock Number | 890501E602075 | 891501E099434 | 890501E095571 |
| Description | SALAMI, CKD, SLCD, CHL, PORK&BEEF | VEG, ONION RINGS, BTRD, FZN | TURKEY BREAST, COOKED, FZN, |
| Units per purchase pack | 6 | 6 | 4 |
| Package Size | 5 | 2.5 | 8 |
| Package UoM | LB | LB | LB |
| Packaging Code | PG | PG | AVG |
| Ratio Numerator | 30 | 6 | 1 |
| Ratio Denominator | 1 | 1 | 1 |
| Unit of Issue | LB | BG | LB |
| Unit of Measure | CS | CS | LB |
| Catch weight multiple | NA | NA | 32 (may vary) |



EDI Invoice Process Flow

Create Invoices





STORES Reconciliation Process

Receipts without invoices

Customer receipts before invoice

Nightly batch

Removed from tool after 15 days

Mismatched Invoices

Customer Receipts

Vendor Invoices

Matches

Released to EBS nightly

Mismatches

Released to EBS after 90 days

EBS

Invoices without receipts

Vendor invoices before receipt

Released to EBS after 90 days



Recon Functionality

- General
 - Run in batch at 6 PM Philadelphia time
 - “Update pending” when change is submitted but batch has not run
- Mismatched lines
 - Edit of Call#, CLIN, stock number, quantity, & price
 - Exceptions are highlighted
 - Pushed to EBS as mismatch after 90 days
- Receipts without invoices
 - Removed from view after 15 days
- Invoices without receipts
 - Edit of PO# and Call#
 - Pushed to EBS as mismatch after 90 days



EDI Guidelines