



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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IN REPLY
REFER TO

MMPOA
PROCLTR 97- 13

APR 04 1997

MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: Evaluation of Offers of Surplus Materials

As a result of a favorable evaluation of an employee suggestion, offers of surplus material will only be evaluated if the savings on the instant procurement exceed the Government's cost to evaluate the offer. The dollar thresholds used for evaluation of alternate offers will apply to offers of surplus material as well. DLAD 11.302 has been revised to prescribe use of the new provision, DLAD 52.211-9003, Conditions for Evaluating Offers of Surplus Material.

This PROCLTR is effective immediately, and will expire upon incorporation of the attached coverage in the DLAD, but in any event not later than one year from the effective date of this letter. Questions on the foregoing may be addressed to Rosalind Thomas, MMPOA, at (703) 767-1373 (DSN 427-1373), or via internet message to the following address:
ROSALIND_THOMAS@HQ.DLA.MIL.

Attachment

ROBERT L. MOLINO
Executive Director
(Procurement)

11.302 Solicitation provisions and contract clauses

(b) When the provision at FAR 52.211-6 and the clause at FAR 52.211-7 are used in solicitations permitting offers of surplus materials, the clause at 52.211-9000, Surplus Material - Certification and Information, shall also be used. *In addition, the provision at 52.211-9003 shall be included to advise offerors of the savings thresholds their offers must meet before their offers of surplus material are evaluated. DSCs shall establish procedures such that they will evaluate offers of surplus material when the savings meet the savings threshold stated in the provision, and there is a reasonable expectation that the offer of surplus material may be in line for award.* In order to avoid the establishment of dual standards, when offers of surplus property are permitted, warranty provisions applied must be applied to all contractors whether manufacturers or dealers and whether or not surplus material is offered. Therefore, a warranty clause as prescribed in FAR Subpart 46.7 or DFARS Subpart 246.7 must also be incorporated in the solicitation whenever the above clauses are used and use of a warranty provision is desired.

52.211-9003 Conditions for Evaluation of Offers of Surplus Material

As prescribed in 11.302(b), insert the following provision in acquisitions permitting offers of surplus material:

**CONDITIONS FOR EVALUATION OF OFFERS OF SURPLUS
MATERIAL (MARCH 1997) - DLAD**

The Agency will make every reasonable effort to determine, prior to award, the acceptability of the surplus material offered, when the offered price meets the savings threshold shown below, and the offer has a reasonable chance to receive an award based on price offered. Generally, the Agency will not evaluate offers of surplus material not meeting the dollar threshold. The savings potential is based on the cost of evaluation (\$200 if only a local evaluation is involved, or \$900 if the offer of surplus material must be forwarded to an Engineering Support Activity for evaluation). If the Agency determines that an evaluation cannot be completed before the expected contract award date due to urgent requirements for the item, the offer of surplus material will not be considered for the present procurement, but will still be evaluated for acceptability for future procurements for the same item.

(End of provision)