

ISSUE DATE: JULY 1, 2003

Ladies and Gentlemen:

You are invited to submit a proposal in accordance with the requirements of this solicitation Numbered RFP FNS-03-008LLH.

TITLE: WIC VENDOR MANAGEMENT STUDY

Your proposal must be received by the Contracting Officer **no later than** 3:00 PM local prevailing time,

ON: SEPTEMBER 2, 2003

AT: U.S. Department of Agriculture
Food and Nutrition Service
Contract Management Branch
Administrative Services Division
3101 Park Center Drive, Room 228
Alexandria, VA 22302

Attention: LAURA HINSHAW

Telegraphic proposals or proposals sent by facsimile transmission are not acceptable and, if submitted will be rejected as non-responsive. Your proposal must be prepared in accordance with the instructions provided in Section "L", paragraph L-7 of the solicitation entitled "Instructions for the Preparation of Technical and Business Proposals"

Your attention is directed to the solicitation provision L-2 entitled "Instructions to Offerors" which addresses such issues as late submissions, modifications, and withdrawal of proposals. Please review this provision so that you will be fully aware of the time requirement of your proposal.

Your proposal must be signed by an official authorized to bind your organization. It must stipulate that it is predicated upon all the terms and conditions of this RFP (unless) you are taking exception to any portion of the solicitation then you must clearly identify the affected portion and mark your proposal accordingly. In addition, your proposal shall contain a statement, to the effect, that it is firm for period of at least 120 days from the date set for receipt of proposals.

Please be advised that this solicitation does not commit the Government to pay any costs associated with the preparation and submission of a proposal. Be further advised that the Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with this acquisition.

The following key information is provided to assist you in preparation of your proposal:

1. Estimated period of performance: Award date through December 31, 2007, if all options are exercised
2. Contract Type: Cost plus fixed fee with an award incentive
3. Required Number of technical and business proposals: Original and 6 copies. Offerors are also required to submit a complete copy of the narrative portion of the technical and the complete cost proposal on a 3.5" diskette noting which software application name and version, preferably Microsoft Suite Application Software, etc. See Section L-7 of the solicitation document.
4. Past performance information is required in advance of the proposal due date; no later than August 1, 2003. See Section L-16 of the solicitation document.

Thank you for your interest in this acquisition. Questions can be directed to Laura Hinshaw, Contract Specialist, at 703-305-1532 or Leonard Green, Contracting Officer at 703-305-2257.

Sincerely,

Patricia Palmer
Contracting Officer
703) 305-2251

2. CONTRACT NUMBER 3. SOLICITATION NUMBER FNS-03-008LLH 4. TYPE OF SOLICITATION SEALED BID (IFB) NEGOTIATED (RFP) 5. DATE ISSUED 7/01/2003 6. REQUISITION/PURCHASE NUMBER OA03207

7. ISSUED BY CODE USDA, Food and Nutrition Service - Contracts Management Branch, Rm 228 3101 Park Center Dr., Alexandria, VA 22302 8. ADDRESS OFFER TO (If other than Item 7)

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION
9. Sealed offers in original and 6 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in See Block 7 until 3:00 PM local time 9/02/2003 (Hour) (Date)
CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL: A. NAME Laura Hinshaw B. TELEPHONE (NO COLLECT CALLS) AREA CODE 703 NUMBER 305-1532 EXT. C. E-MAIL ADDRESS laura.hinshaw@fns.usda.gov

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OFFER (Must be fully completed by offeror)
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8) 10 CALENDAR DAYS (%) 20 CALENDAR DAYS (%) 30 CALENDAR DAYS (%) CALENDAR DAYS (%)

14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):

AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR CODE FACILITY 16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)

15B. TELEPHONE NUMBER AREA CODE NUMBER EXT. 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE. 17. SIGNATURE 18. OFFER DATE

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED 20. AMOUNT 21. ACCOUNTING AND APPROPRIATION
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: 10 U.S.C. 2304(c) 41 U.S.C. 253(c) 23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified) ITEM
24. ADMINISTERED BY (If other than Item 7) CODE 25. PAYMENT WILL BE MADE BY CODE

26. NAME OF CONTRACTING OFFICER (Type or print) 27. UNITED STATES OF AMERICA (Signature of Contracting Officer) 28. AWARD DATE

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<u>SUPPLIES/SERVICES</u>	<u>ESTIMATED COST</u>	<u>FIXED FEE</u>	<u>TOTAL</u>
Base Contract (Tasks 1 Through 16)	_____	_____	_____
Optional Task 1 (Task 1.1 Through 1.7)	_____	_____	_____
Optional Task 2 (Tasks 2.1 Through 2.7)	_____	_____	_____
Optional Task 3 (Tasks 3.1 Through 3.2)	_____	_____	_____
Optional Task 4 (Task 4.1)	_____	_____	_____
Optional Task 5 (Task 5.1 Through 5.2)	_____	_____	_____
<u>TOTAL ESTIMATED COST AND FEE</u>	_____	_____	_____

B-2 ESTIMATED AND ALLOWABLE COSTS

(a) ESTIMATED COSTS

The estimated cost of this contract is, [*] which consists of [*] for reimbursable costs and [*] for fixed fee. These costs shall be subject to the provisions of FAR clauses: 52.232-20, Limitation of Cost; 52.216-7, Allowable Cost and Payments; and clause 52.216-8, Fixed Fee.

(b) AWARD FEE

This is a Performance-Based contract. In addition, to the estimated costs set forth in B-2, the contractor may be eligible to earn a \$25,000 award fee. The criteria and methodology to evaluate the award are detailed in Section C-2 of this contract.

*** To be completed at time of award**

ALLOWABLE COSTS

(1) INDIRECT COSTS

(i) Final annual indirect cost rate(s) and the appropriate base(s) shall be established in accordance with FAR Subpart 42.7 in effect for the period covered by the indirect cost rate proposal.

(ii) Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the appropriate Government Representative in accordance with FAR 42.704, subject to adjustment when the final rates are established. The established billing rates are currently as follows:

BILLING RATES - (CONTRACTOR NAME)

<u>Cost Center (Type)</u>	<u>Rate</u>	<u>Ceiling</u>
[*]	[*]	[*]

(iii) These billing rates may be prospectively or retroactively revised by mutual agreement, at the request of either the Government or the Contractor, to prevent substantial overpayment or underpayment.

(iv) The Contractor hereby agrees that total indirect costs for the cost centers shown above which exceed the ceiling rates shown above shall not be reimbursable under this contract irrespective of a higher billing rate or a higher final rate which may be approved by the cognizant audit agency.

*** To be completed at time of award**

(2) TRAVEL

In accordance with FAR 31.205-46, travel costs incurred directly and specifically in performance of this contract will be reimbursed, when claimed by the contractor and accepted by the Contracting Officer, provided, however, that such travel was necessary and appropriate for performance of this contract and that such costs do not exceed the following:

(a) On a daily basis the maximum per diem rates in effect at the time of travel as set forth in Federal Travel Regulations. Documentation to support actual costs incurred shall be in accordance with the contractor's established practices provided that a receipt is required for each expenditure in excess of \$25.00 and costs shall be allowable only if the following information is documented:

- (i) Date and place (city, town, or other similar designation) of the expense;
- (ii) Purpose of the trip, and;
- (iii) Name of person on trip and that person's title or relationship to the contractor.

(b) Cost of air travel by most direct route. Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours (i.e., if scheduled flight time is before 8:00 A.M. or scheduled arrival is after 9:00 P.M.), excessively prolong travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified.

(c) Cost of rail travel by most direct route, first-class with lower berth or nearest equivalent.

(d) Travel by motor vehicle including rented automobile shall be reimbursed on a reasonable actual expense basis, or at the Contractor's option, on a mileage basis at a rate of \$0.36 per mile plus any toll or ferry charges.

(e) Per diem/Subsistence shall be reimbursed at rates in accordance with the current U.S. Federal Government Travel Regulations in effect at the time of allocable and allowable travel performed pursuant to this contract. However, the allocability and allowability of categories of reimbursable expenses shall be determined by the U.S. Federal Travel Regulations in effect on the date of contract award.

(3) PRIOR AUTHORIZATION OF CERTAIN DIRECT COSTS

Prior authorization in writing by the Contracting Officer or his authorized representative is required for the following costs. Their incurrence with the intent of claiming reimbursement as direct costs shall therefore be at the Contractor's own risk, if without such prior authorization.

(a) Purchase or rental of any items of personal property having an acquisition cost of \$5,000 or more. **However, the purchase of office furniture or equipment is NOT authorized under this contract.**

(b) Rearrangement, alteration, or relocation of facilities.

(c) Travel for general meetings and all travel outside the United States.

(d) The purchase of any tools, instruments, equipment, textbooks, or other personal property item of any trade, profession, career, educational or training pursuit, or an avocation.

(e) The cost of enrollment and/or tuition and fee for any formal educational training at any level (i.e., remedial, general and advanced) either full or part-time.

(f) Subcontract(s):

(i) Definition: "Subcontractor" as used in this contract, means any supplier, distributor, vendor or firm (including consultants) that furnishes supplies or services to or for a prime contractor or another subcontractor."

(ii) The contractor shall notify the Contracting Officer reasonably in advance of entering into any subcontract for (1) cost-reimbursement, time-and-materials, or labor-hour subcontracts at any dollar amount and (2) fixed-price subcontracts that exceed either \$100,000 or 5 percent of the total estimated cost of the prime contract. This notification shall include the following information: Name of subcontractor; dollar amount of subcontract (if for a consultant, specify a ceiling amount, along with the hourly rate); type of agreement; a description of the supplies or services to be subcontracted; identification of task(s) subcontractor will perform; description of steps taken to determine reasonableness of price; and period of

performance. Contracting Officer's written consent shall be obtained before placing any subcontract for which advance notification is required under this section.

(iii) The advance notification and consent requirements pursuant to FAR clause 52.244-2 "Subcontracts" have been satisfied for the following subcontracts:

(To be filled in at time of award, if appropriate)

+WIC VENDOR MANAGEMENT STUDY - 2004

SECTION C – DESCRIPTION/SPECIFICATION/WORK STATEMENT

**C-1 STATEMENT OF WORK/SPECIFICATIONS
(AGAR 452.211-72) (FEB 1988)**

The Contractor shall furnish the necessary personnel, material, equipment, services and facilities (except as otherwise specified), to perform the following Statement of Work.

STATEMENT OF WORK

The Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA) seeks a qualified Contractor to conduct a nationally representative study of food vendors participating in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

Background

The purpose of the WIC Program is to improve the health of nutritionally at-risk, low income, pregnant, breast feeding and post-partum women, infants and children up to five years of age. WIC participants receive food instruments redeemable at WIC-authorized vendors for food packages designed to supplement their diets with nutrients that research indicates are typically lacking in the target population. Participants also receive nutrition education, including breast-feeding information, and health referrals. WIC is administered by 88 State agencies in the 50 States, District of Columbia, Guam, the Virgin Islands, American Samoa, the Commonwealth of Puerto Rico, and 33 Indian Reservations. WIC operates through 2,000 local agencies, with 10,000 clinic sites and 46,000 authorized retailers. In Fiscal Year (FY) 2002, an average of 7.49 million persons participated in WIC each month, of whom women comprised 24.4%, infants 26.3%, and children 49.3%. Congress appropriated \$4.462 billion for WIC in FY 2002.

WIC participants receive food instruments to purchase specific foods each month. The authorized foods include: iron-fortified infant formula and infant cereal, iron-fortified adult cereal, vitamin C-rich fruit and/or vegetable juice, eggs, milk, cheese, peanut butter, dried beans or peas, tuna fish and carrots. Special infant formulas and certain medical foods are provided when prescribed by a physician or health professional for a specified medical condition. Women who exclusively breastfeed receive an enhanced package, which includes increased quantities of the foods prescribed for non-breastfeeding women, as well as tuna and carrots.

Food Delivery Systems

There are three types of WIC food delivery systems: (1) systems in which participants purchase authorized supplemental foods by submitting a food instrument to an authorized retail vendor; (2) home delivery systems; and (3) direct distribution systems in which participants pick up food from a distribution facility operated by the State or local agency. WIC benefits are free to all participants. In FY 2001, the average monthly food cost per participant was \$34.31.

Under the retail purchase system, local WIC clinics issue food instruments in the forms of vouchers, checks, electronic benefits transfer cards, or other documents. Participants use food instruments to buy authorized WIC foods from authorized WIC vendors. Food instruments specify the food items or food

package that can be purchased. Some agencies also print the maximum dollar amount redeemable on the instrument. While participants are not required to purchase all items on the instrument, a partially transacted food instrument cannot be transacted again for the previously unused food benefits, except under the electronic benefit transfer (EBT) system.

The vendor (or participant in some States) must write the total price of the food purchased on the food instrument during the WIC transaction. Almost all States have centralized food instrument processing and payment systems. Local agencies issue instruments by computer using batch or on-line processes.

States have automated systems to edit food instruments redeemed by vendors for completeness, accuracy and validity. A few contract this function out to banks. Edits may be done prior to payment to vendors (pre-payment edits) or after payment (post-payment edits). State agencies or commercial banks reimburse vendors for the exact price of the foods purchased with the food instruments.

Vendor Management

States are responsible for selecting, training and monitoring food vendors. States vary in their approaches to managing vendors. Each State develops criteria that vendors must meet to be authorized to conduct WIC transactions. All States train vendors on routine procedures such as WIC transactions, food instrument redemption, and WIC minimum stocking requirements. All States conduct some form of routine vendor monitoring. Some States monitor all vendors, while others use a variety of selection methods to identify vendors for monitoring. These methods include random samples, review of redemption data, response to complaints, and vendor rotation. State agencies are also responsible for detecting and preventing vendor violations through the use of vendor selection criteria, extensive vendor training, routine vendor monitoring, compliance investigations, inventory audits, and other techniques. In addition, States identify high-risk vendors using various methods, including analysis of redemption data, sharing information with other programs such as the Food Stamp Program (FSP), routine visits, compliance investigations, and participant complaints.

WIC Vendor Monitoring Data

The authorization, selection, and monitoring of vendors are the responsibility of State agencies, which have systems in place to detect vendor violations through routine monitoring visits, compliance buys, or inventory audits. Many States conduct routine monitoring visits of 50% or more of authorized vendors. All States report data to FNS annually on vendors monitored and investigated,

actions taken against violators, and the safeguards to prevent future violations. FNS has published a series of reports^{1,2} analyzing annual data on WIC vendor monitoring activities by States. The data consist of State-level information on vendor characteristics, training, compliance activities and sanctions. The FNS reports promote good stewardship of federal funds by assisting State agencies to identify areas for improvement. The key information presented in these analyses include:

Monitoring

- *Routine monitoring*: overt, on-site monitoring during which WIC Program representatives identify themselves to vendor personnel.
- *Compliance buy*: a covert, on-site investigation in which a WIC Program representative poses as a participant, parent or caretaker of an infant or child participant, or proxy, transacts one or more food instruments, and does not reveal that he or she is a program representative.
- *Inventory audit*: an examination of food invoices and other proofs of purchase to determine whether a vendor purchased sufficient quantities of supplemental foods to provide participants with the quantities of foods specified on food instruments redeemed by them in a given period. Inventory audits are often conducted when compliance buys are not effective because the vendor knows his clientele and a compliance investigator would be easily identified.

Vendor Violations

a. Violations Carrying Federal Mandatory Sanctions:

- *Trafficking*: buying or selling by the vendor, of food instruments for cash or consideration other than food, or exchange of firearms, ammunition, explosives or controlled substances for food instruments. Trafficking includes improper or unauthorized exchange of food instruments for profit or illegitimate gain by individuals, parties, or business entities. In FY 2000, seven States found trafficking among 22 vendors.

¹ Food and Nutrition Service (FNS). Vendor Activity Monitoring Profile (VAMP) Reports. Alexandria, VA: FNS, USDA, Supplemental Food Programs Division. (FNS no longer produces this report).

² FNS. The Integrity Profile Report, Fiscal Year 2000. Alexandria, VA: FNS, USDA, Supplemental Food Programs Division. (The TIP Report has replaced the VAMP report).

- *Overcharging:* intentionally or unintentionally charging WIC more for food than the authorized WIC price permitted under the vendor's agreement with the WIC Program. This includes charging WIC customers more than the current shelf price and charging more for supplemental foods than the amount charged non-WIC customers.
 - *Sale of alcoholic beverages or tobacco products:* providing alcoholic beverages, cigarettes or other tobacco products in exchange for food instruments.
 - *Claiming reimbursement in excess of documented inventory:* requesting payment for the sale of an amount of WIC foods that exceeds the vendor's documented inventory.
 - *Supplemental foods not received:* charging WIC for supplemental foods not received by the participant.
 - *Providing credit or non-food items:* providing credit or non-food items in exchange for WIC food instruments.
 - *Providing unauthorized food items:* providing unauthorized foods in exchange for WIC food instruments, or providing supplemental foods in excess of the amount shown on the food instrument.
 - *Unauthorized channels:* receiving, transacting, and/or redeeming food instruments outside of authorized channels, including the use of an unauthorized vendor and/or unauthorized person. In FY 2000, State agencies conducted compliance buys of 87 unauthorized stores and found that 6 percent accepted food instruments during the buy.
- b. Violations Resulting in State –Established Sanctions

- These are less serious vendor violations than those covered by Federal mandatory sanctions. They include such violations as not verifying the identity of the WIC participant by checking for the WIC identification card, not entering the price on the WIC food instrument during the WIC transaction, accepting the WIC food instrument outside of the valid dates printed on the instrument, rude or discourteous treatment of a WIC participant, and others.

In FY 2000, out of a universe of 49,682 vendors, 17,807 (36%) received routine monitoring visits, 4,982 (10%) received one or more compliance buys, and 59 (less than 1%) received audits. Of the 22,848 vendors who received monitoring visits, compliance buys, and/or inventory audits, 7,056 (31%) committed violations. More than half of the vendors committing violations committed a

single violation, and slightly less than half committed multiple violations. The violations occurred among both high-risk and non-high-risk vendors. Of the 22,848 vendors who received routine monitoring, compliance buys, and/or inventory audits 60% (13,798 vendors) had no violations and 40% (9,050 vendors) committed program violations. About 80% of the 9,050 violators committed a single violation and 20% committed multiple violations. The types of violations included: overcharge (1,288 vendors); substitution of authorized foods reported by 36 of 87 State agencies (1,100 vendors); major substitution reported by 16 State agencies (37 vendors); trafficking reported by four States (22 vendors); and other violations reported by 53 States (6,603 vendors). A total of 54 vendors were disqualified from WIC and referred to Food Stamps (FSP) for reciprocal action, of whom, 34 were disqualified from FSP.

Sanctions

Sanctions are Program measures ranging from fines to disqualification. Federal regulations require mandatory sanctions, i.e., disqualification or civil money penalty in lieu of disqualification, for the most severe vendor violations. The State agency determines the sanctions for other violations. In FY 2000, a total of 2,898 vendors received sanctions or warning letters for violations discovered during routine monitoring visits, compliance buys, and inventory audits. Of those sanctioned, 451 were disqualified for WIC Program violations; 81 for Food Stamp Program violations; and 41 for administrative reasons. A total of 2,322 received other sanctions; 525 appealed their sanctions, and of the 292 appeals reaching disposition, 268 (92%) were ruled in the State agency's favor (upheld) rather than the vendor's favor (overturned).

High-Risk Vendor Identification

State agencies have great latitude in managing vendors. Program regulations require States to implement systems to identify high-risk vendors and to conduct compliance buys on a minimum of 5% of authorized vendors each fiscal year. State agencies must conduct compliance investigations on all high-risk vendors up to 5% minimum. The specific criteria used in high-risk vendor identification systems vary among States. However, all states must use criteria developed by the Food and Nutrition Service and/or other statistically-based criteria. Generally, high-risk identification systems flag vendors based on several indicators of possible violations, such as reports, complaints (from participants, local agencies, and other vendors), and business volume^{1,2}. States use the indicators to conduct compliance investigations, which consist of compliance buys and inventory audits. In FY 2000, 22,789 vendors received

¹ Food and Nutrition Service (FNS). Vendor Activity Monitoring Profile (VAMP) Report, Fiscal Year 1994. Alexandria, VA: FNS, USDA, Supplemental Food Programs Division (SFPD)

² FNS. The Integrity Profile Report, Fiscal Year 1998. Alexandria, VA: FNS, USDA, SFPD.

routine monitoring and/or compliance investigations, of whom, 5,675 (25%) were identified as *high-risk*. Of the 49,682 vendors in FY 2000, 10% (4,977 vendors) received one or more compliance buys, of whom, 69% (3,450 vendors) were *high-risk*. In addition, 87 *unauthorized* stores received one or more compliance buys in six States. These stores were suspected of conspiring with authorized vendors to defraud the WIC Program. About 7% of these stores accepted food instruments during compliance buys. Less than 1% (59 vendors) received *inventory audits* conducted in 10 States. Where inventory audits were the only form of monitoring, 11 of the 28 vendors receiving inventory audits were found to violate program requirements.

Study Objectives and Research Questions

The objectives and the corresponding research questions of the WIC Vendor Management Study are:

Objectives

1. Describe the characteristics of WIC vendors participating in the study.
2. Estimate the frequency of occurrence of vendor violations in the WIC Program (including overcharging, substitution, and administrative violations) and other potential problems (such as undercharging).
3. Estimate the proportions of vendors committing vendor violations in the WIC Program (including overcharging, substitution, and administrative violations) and other potential problems (such as undercharging).
4. Examine the relationship between vendor characteristics and vendor violations and other potential problems.
5. Estimate the amount of financial loss (in dollars) to the WIC Program as a result of vendor violations in aggregate and by type of violation.
6. Compare the national estimates obtained from this study with national estimates obtained from previous WIC vendor studies and WIC administrative data on vendors.

Research Questions

1. What are the WIC vendor management approaches taken by the State agencies? Which strategies (e.g., vendor selection, training, monitoring,

etc.) do State agencies consider to be most effective in preventing vendor violations? What is the national profile of WIC vendor management practices?

2. What is the overall combined national rate of WIC vendor violations (overcharging, substitution and administrative)? What are the rates of specific vendor violations?
3. How widespread are vendor violations in the WIC Program?
4. Are there specific vendor characteristics that appear to be related to vendor violation? What is the relationship between State administrative practices and the rate of vendor violations?
5. How widespread is the financial loss (in dollars) due to vendor violations? How can vendor violations be reduced?
6. How do the national estimates of vendor characteristics and violations obtained from this study differ from estimates obtained from earlier WIC vendor studies?

Precision and Confidence Levels

The desired sample size must be sufficient to yield national estimates of $\pm .03$ at the 95 percent level of confidence. For subgroups, precision estimates shall be $\pm .05$ at the 95 percent level of confidence.

GENERAL TECHNICAL APPROACH

Earlier WIC Vendor studies have provided some information on the characteristics of WIC vendors, baseline estimates of vendor violations, and the incidence and prevalence of vendor violations. FNS reports have documented information on monitoring initiatives and management practices used to identify high-risk vendors and sanction violators. The principal methodology applied in earlier studies is the use of compliance buys to examine vendor violations. This study will also apply compliance buy methodology to derive new estimates of vendor characteristics and violations. It will also assess high-risk vendor identification systems currently in use and examine the specific problem of trafficking violations. Estimates derived from this study will be compared with earlier WIC vendor studies in an attempt to assess the effectiveness of management practices and regulations in curbing vendor violations.

The study has a potential of being a 3-year data collection effort. The base contract will include data collection from a nationally representative sample of

WIC vendors during 2004. Data collection in the two subsequent years (2005 and 2006) will be included as options.

TASKS

NOTE: The following tasks are illustrative. Offerors are encouraged to develop approaches, including appropriate Tasks that result in efficient, comprehensive study execution.

Task 1: Meet with FNS to finalize the research plan and schedules

Within the first week after the contract award, the Contractor shall meet with FNS in Alexandria, VA to launch the study and discuss tasks, schedules, and deliverables. The purpose of this meeting is to establish procedures for communication with FNS and to delineate the roles of the parties. The Contractor shall prepare a meeting agenda in cooperation with the Contracting Officer's Representative (COR) and submit it to FNS prior to the meeting's convening. The agenda for the meeting shall include:

- clarification of study objectives;
- clarification of tasks, modules, schedules, and deliverables;
- establishing official protocols for all communications (i.e. contractor contact with FNS Headquarters, FNS Regional Offices, and State WIC Agencies; and
- clarification of entire study schedule.

The Contractor shall prepare a memorandum documenting all issues discussed and all decisions reached at the orientation meeting as well as any follow-up activities that need to occur as a result of discussions held at the meeting. The memorandum shall be submitted to FNS within one week of the meeting.

Task 2: Review State plans on vendor management.

The Contractor shall obtain from FNS those sections of current WIC State Plans that deal with vendor management and review them. The purpose of this review shall be to describe the States' current vendor management practices and to construct national profiles of the practices. Submit a report summarizing States' vendor management practices in a format suitable for web publication.

Task 3: Prepare and submit data collection and analysis plan.

The Contractor shall prepare and submit a data collection and analysis plan to FNS. The plan shall address the study objectives and serve as the framework for the study. No revisions and changes to the plan and contract may be made without the approval of the Contracting Officer.

Task 4: Develop sampling strategy and construct a sampling frame of WIC vendors.

The contractor shall develop a sampling strategy and construct a sampling frame needed to select a nationally representative sample of WIC vendors. The frame shall be limited to authorized WIC vendors in the 48 contiguous States and the District of Columbia. Lists of the vendors can be obtained from the States.

Task 5: Select first year study sample

The Contractor shall select a study sample that will yield unbiased national and subgroup estimates on the variable of interest at the specified levels of precision and confidence. The sample shall also be chosen in a way that will address other research questions listed above. The sample size must be sufficient to yield national estimates of $\pm .03$ at the 95 percent level of confidence. For subgroups, precision estimates shall be $\pm .05$ at the 95 percent level of confidence. The Contractor shall submit three bound copies of the sampling plan to FNS.

Task 6: Develop data collection instruments

The Contractor shall develop data collection instruments and procedures to collect data required for the study. The instruments shall include procedures for making safe, partial and substitution buys. In addition, the Contractor shall collect shelf price data on WIC food items sold by vendors. The instruments must be submitted in camera-ready copy and an electronic version for approval by FNS.

Task 7: Select and train data collectors

The Contractor shall provide a sufficient number of data collectors who are experienced in conducting compliance buys, and train them in compliance buy procedures compatible with the WIC Program. The Contractor shall develop training materials needed to train data collectors and submit them to FNS. After review and approval by FNS, the Contractor shall train the data collectors. Manuals prepared for such training shall be submitted to the COR.

Task 8: Collect First Year (2004) data

The Contractor shall collect the data required for the study following a data collection plan approved by FNS. During the data collection period, the Contractor shall report, in writing, to FNS weekly on the progress of the data collection and any problems encountered. At the completion of the data

collection activity, the Contractor shall prepare a brief memorandum summarizing the data collection effort.

Task 9: Develop first year (2004) data files and database

The Contractor shall develop the first year (2004) database and raw data files, and SAS (or compatible) analytic files to analyze the first year data. These files shall be prepared in microcomputer format for use with PC SAS software. The analysis shall be consistent with procedures described in the Analysis Plan. The Contractor shall follow the data quality control procedures specified in the technical proposal. The Contractor shall submit to FNS a copy of the database and data files (in SAS or compatible format) used in the analysis and preparation of the first draft report. In addition, the Contractor shall provide full documentation for these data files. Preliminary databases and documentation shall be submitted to FNS at the same time as the first draft report submission.

Task 10: Tabulate and analyze first year (2004) data

The Contractor shall tabulate and analyze data in accordance with the approved research plan. If any changes to the original research plan are necessary, the Contractor shall submit a Memorandum of Intent outlining the changes for FNS approval. The Contractor shall submit to FNS copies of draft analytic tables for review. FNS will provide comments within two weeks.

Task 11: Prepare first year (2004) draft final report

The Contractor shall prepare a final report on the tabulation and analysis of the data collected for the first year of this study. The report shall include an executive summary, a main body, and technical appendices. The report shall be prepared in Microsoft Word (or compatible) format. Two drafts shall be submitted in 10 (ten) copies each to FNS for review. FNS shall provide comments on the draft to the Contractor within four weeks of submission.

Task 12: Revise the first year (2004) draft and submit final report

The Contractor shall make changes in the draft final report as indicated by FNS. The Contractor shall submit 10 copies of the revised version of the final report to FNS. Along with these copies, the Contractor shall submit two camera-ready versions and an electronic version of the final report in PDF or Microsoft Word format. At a minimum, this report shall contain the following:

- a separately bound executive summary of the major study findings;
- an introduction which provides the study background data;
- a clear delineation of the study issues, objectives and research questions;

- a discussion of the study design and methodology, including sampling, data collection procedures, outcome measures, and analytic techniques;
- a presentation of the major findings of the study;
- a discussion of the study limitations;
- study conclusions; and
- technical appendices necessary to document all analytic procedures.

Task 13: Prepare and submit first year (2004) Public use data and analytic files.

The Contractor shall prepare and submit public use and analytic files. The public use files shall be submitted in PDF or other format easily convertible for web publication. The analytic files shall be submitted in SAS (or SAS compatible) format for use with PC SAS software. In addition, the Contractor shall provide full documentation for these data files including:

- file structure (data set name, record format, record length, block size, and number of records.
- code book (record layout including variable names, variable format, variable labels, and missing values); and
- formulation of any calculated values.

Task 14: Briefing to FNS on first year (2004) study results

The Contractor shall conduct a half-day briefing session at FNS headquarters in Alexandria, Virginia. The presentation shall cover the overview of the study, the study design, and final results. The presentation shall include visual display materials and handouts. Copies of the visual display material and handouts shall be submitted to FNS for review two weeks prior to the presentation.

Task 15: Administrative Reporting Requirements

The Contractor shall submit a progress report by the 15th of each month, covering work accomplished during the previous month of contract performance and the current status of the study. The first part of the report shall include:

- project activities ongoing or completed during the preceding month;
- planned activities for the coming month;
- significant problems encountered and proposed solutions;
- schedule changes (actual and potential); and
- personnel changes including identification of personnel not appearing on previous invoices or reports.

The second part of the report shall provide for each major task:

- the dollar amount budgeted;
- the dollar amount expended during the preceding month;
- the cumulative dollar amount expended; and
- any indications of possible cost overruns.

Task 16: Quarterly Phone Conference Meetings.

The Contractor shall organize and conduct a phone conference meeting with FNS once every three months. At this meeting, the Contractor shall brief FNS on project activities during the preceding three months, planned activities for the next three months, significant problems encountered and proposed solutions, and schedule or personnel changes. After each quarterly phone conference meeting, the Contractor shall prepare and submit a brief memorandum of understanding documenting the progress reported and decisions made regarding the study.

OPTIONAL TASKS

OPTIONAL TASK 1: (Year 2 Study Activities: Optional tasks 1.1-1.7)

Optional Task 1.1 Select second year (2005) study sample

The Contractor shall select a new sample for the second year (2005) study that will yield unbiased national and subgroup estimates on the variables of interest at the specified levels of precision and confidence. The sample size must be sufficient to yield national estimates of $\pm .03$ at the 95 percent level of confidence. For subgroups, precision estimates shall be $\pm .05$ at the 95 percent level of confidence. The Contractor shall submit three bound copies of the sampling plan to FNS.

Optional Task 1.2: Collect Second Year (2005) Study Data

The Contractor shall collect data for the second year study activities on vendor management, high-risk vendor identification, and/or trafficking, depending on the options contracted. Data collection shall proceed according to the plan outlined in the Data Collection Plan, and progress shall be reported as part of the regular monthly report. The monthly update of this task shall include the progress achieved to date, problems encountered, and attempted solutions. If problems are encountered by the Contractor that cannot be resolved, FNS shall be notified immediately. At the completion of the data collection activity, the Contractor shall prepare a brief memorandum summarizing the data collection

effort. If training data collectors by the Contractor is necessary, the Contractor will implement training to coincide with the data collection activities.

Optional Task 1.3: Create Second Year (2005) Study Database and data files

As the data for 2005 are collected, the Contractor shall undertake procedures to build a database and create analytic files. Quality control measures shall be performed to ensure the integrity of the study data set. The files should be constructed to allow for the analysis of data for the first and second years separately, as well as linking first and second year study data.

Optional Task 1.4: Tabulate and analyze second year (2005) data

The Contractor shall tabulate and analyze the second year (2005) data in accordance with the approved research plan. If changes to the original research plan have occurred, the Contractor shall submit a Memorandum of Intent outlining the changes for FNS approval. The Contractor shall submit copies of draft analytic tables for FNS review. FNS will provide comments to the Contractor in two weeks.

Optional Task 1.5: Prepare second year (2005) draft final report

The Contractor shall prepare a final report on the tabulation and analysis of the data collected for the second year of the study, as well as an analysis of the combined data for the first and second years of the study. The report shall include an executive summary and technical appendices in addition to a main body. The Contractor shall submit 25 copies of the final report to FNS, along with two camera-ready versions and an electronic version in PDF or Microsoft Word format. In addition to the requirements of the first year report, the second year report shall also include the following:

- a discussion of further design and methodological procedures applied during the second year;
- a clear delineation of the study issues, objectives and research questions addressed during the second year of study;
- a discussion of the study design and methodology, including sampling, data collection procedures, outcome measures, and analytic techniques pertinent to the second year data;
- a discussion of the additional analysis performed on the second year data;
- a presentation of the major findings of the study, with findings for the second year and the combined (cumulative) two years presented separately;
- a discussion of the study limitations;
- study conclusions; and

- technical appendices necessary to document analytic procedures used.

Optional Task 1.6: Prepare and Submit Second Year (2005) Data Files

The Contractor shall prepare and submit to FNS raw data files and analytic data files used to produce all numbers that appear in the second year final report. The analytic files shall be submitted in SAS (or SAS compatible) format for use with PC SAS software. Preliminary data files shall be submitted at the time of submission of the first draft. The Contractor shall provide full documentation for these data files including:

- file structure (data set name, record format, record length, block size, and number of records).
- code book (record layout including variable names, variable format, variable labels, and missing values); and
- formulation of any calculated variables or values.

Optional Task 1.7: Briefing to FNS on second year (2005) study results

The Contractor shall conduct a half-day briefing session at FNS headquarters in Alexandria, Virginia on the activities and accomplishments of the second year. The presentation shall cover the study, the study design, and the results relative to the accomplishments of the second year, as well as the first two years combined. The presentation shall include visual display materials and handouts. Copies of the visual display material and handouts shall be submitted to FNS for review two weeks prior to the presentation.

OPTIONAL TASK 2: (Year 3 Study Activities: Optional tasks 2.1-2.7)

Optional Task 2.1: Select third year (2006) study sample

The Contractor shall select a new sample for the third year study sample that will yield unbiased national and subgroup estimates on the variable of interest at the specified levels of precision and confidence. The sample size must be sufficient to yield national estimates of $\pm .03$ at the 95 percent level of confidence. For subgroups, precision estimates shall be $\pm .05$ at the 95 percent level of confidence. The Contractor shall submit three bound copies of the sampling plan to FNS.

Optional Task 2.2: Collect Third Year (2006) Study Data

The Contractor shall collect study data for the third year data collection activities on vendor management, high-risk vendors identification, and trafficking, depending on the options contracted. Data collection shall proceed

according to the Data Collection Plan, and progress shall be reported as part of the regular monthly report. Monthly update shall include progress achieved, problems encountered, and attempted solutions. If problems are encountered by the Contractor that cannot be resolved, FNS shall be notified immediately. At the completion of the data collection activity, the Contractor shall prepare a brief memorandum summarizing the data collection effort.

Optional Task 2.3: Create Third Year (2006) Study Database and data files

As the 2006 data are collected, the Contractor shall build a database and create analytic files. Quality control measures shall be performed to ensure the integrity of data. The files should be constructed to allow for separate analysis the first and second years' data, as well as linking the first and second years' data.

Optional Task 2.4: Tabulate and analyze third year (2006) data

The Contractor shall tabulate and analyze the third year (2006) data in accordance with the approved research plan. If any changes to the original research plan have occurred, the Contractor shall submit a Memorandum of Intent outlining the changes for FNS approval. The Contractor shall submit to FNS copies of draft analytic tables for FNS review. FNS will provide comments to the Contractor in two weeks.

Optional Task 2.5: Prepare third year (2006) draft final report

The Contractor shall prepare a final report on the tabulation and analysis of the data collected for the second year of the study, as well as an analysis of the combined data for the first and second years of the study. The report shall include an executive summary and technical appendices in addition to a main body. The Contractor shall submit 25 copies of the final report to FNS, along with two camera-ready versions and an electronic version in PDF or Microsoft Word format. In addition to the requirements of the first and second years' reports, this report shall also include the following:

- a discussion of further design and methodological procedures applied during the second year;
- a clear delineation of the study issues, objectives and research questions addressed during the second year of study;
- a discussion of the study design and methodology, including sampling, data collection procedures, outcome measures, and analytic techniques pertinent to the second year data;
- a discussion of the additional analysis performed on second year data;

- a presentation of major findings of the study for the second year and the combined (cumulative) two years presented separately;
- a discussion of conclusions and study limitations; and
- technical appendices necessary to document analytic procedures used.

Optional Task 2.6: Prepare and Submit third year (2006) Data Files

The Contractor shall prepare and submit to FNS raw data files and analytic data files used to produce all numbers that appear in the second year final report. The analytic files shall be submitted in SAS (or SAS compatible) format for use with PC SAS software. In addition, the Contractor shall provide full documentation for these data files including:

- file structure (data set name, record format, record length, block size, and number of records).
- code book (record layout including variable names, variable format, variable labels, and missing values); and
- formulation of any calculated variables or values.

Preliminary data files shall be submitted at the time of submission of the first draft.

Optional Task 2.7: Briefing to FNS on third year (2006) study results

The Contractor shall conduct a half-day briefing session at FNS headquarters in Alexandria, Virginia on the activities and accomplishments of the second year. The presentation shall cover the study, the study design, and the results relative to the accomplishments of the second year, as well as the first two years combined. The presentation shall include visual display materials and handouts. Copies of the visual display material and handouts shall be submitted to FNS for review two weeks prior to the presentation.

OPTIONAL TASK 3: Review State Plans on Vendor Management and Assess High-Risk Vendor Identification Systems Currently used in States.

The Contractor shall review the high-risk vendor identification systems currently in use in the 50 States and Indian Tribal Organizations (ITOs), that were collected from the State plans under Task 2 of the base contract. The Contractor shall also collect validation reports from States if such validation was conducted. The purpose of this review is to describe variations in the current high-risk vendor identification systems used in States (including ITOs), and to construct a set of national profiles of high-risk identification practices. The Contractor shall identify high-risk vendor indicators currently in use as well as other potential high-risk indicators. The Contractor shall use

compliance buy data obtained in the first year data collection to validate these national high-risk profile identification systems. The Contractor shall produce a stand-alone report that describes the variations in the current high-risk identification systems and identifies a set of high-risk indicators that could be used to develop a national high-risk identification system. A second report shall be produced that documents that validity of such a profile system using data collected in the first year of the study.

OPTIONAL TASK 4: Develop the design of a study module for trafficking violations.

The Contractor shall obtain background information from FNS, FNS Regional Offices, States and ITOs, and WIC agencies and design a study module on trafficking violations. The Contractor shall organize a symposium at FNS on a trafficking study methodology, and submit a report to FNS. The objectives of the study module are to estimate the incidence and prevalence of trafficking violations; examine the relationship between vendor characteristics and level of trafficking violations; and estimate the costs of trafficking violations to the WIC Program. Elements of this optional task include, but are not limited to:

- development of study methodology; defining variables, sampling, instrumentation, data collection, interviews, data analytic methods, and report writing;
- defining study tasks and estimating time-lines and study duration;
- reporting: presentations of findings, report writing; and
- estimating the cost of performing this study.

The Contractor shall pilot-test the proposed trafficking study method in a limited number of sites.

OPTIONAL TASK 5a: Conduct the study module for trafficking violations developed in Optional Task 4 as part of the base contract.

The Contractor shall conduct a more encompassing study on Vendor Management that includes all elements of the base contract of the Vendor Management Study outlined in Tasks 1-16 and the study on trafficking violations based on the design developed in Optional Task 4. Tasks in the base contract will be expanded to include activities necessary to conduct the trafficking module. For example, data collection for the trafficking module would be planned and implemented in conjunction with the primary data collection of the base contract (Task 8). Similarly, the draft and final report produced in the base contract would include a separate section related to the

results of the trafficking module. The Contractor shall develop a cost estimate that reflects the incremental cost of conducting the trafficking module as part of the base contract.

OPTIONAL TASK 5b: Conduct the study module for trafficking violations developed in Optional Task 4 as a stand-alone activity.

Using the Study Design developed under Optional Task 4, the Contractor shall draw a sample of vendors, collect and analyze the desired trafficking data, and produce a draft and final report that focuses only on the trafficking issue. This stand-alone report shall be in a format similar to the final report produced in the base contract under Task 12. Similarly, the data files and documentation shall be comparable to those produced in Task 13 of the base contract. The Contractor shall develop a cost estimate that reflects the cost of conducting the trafficking module as a stand-alone activity.

WIC VENDOR MANAGEMENT STUDY - 2004

C-2 QUALITY ASSURANCE SURVEILLANCE PLAN

To monitor conformance with the performance-based Statement of Work and the Contractor's technical proposal incorporated by reference, the Government has established the following Quality Assurance Plan to establish thresholds for acceptable contract performance for this effort. If performance is acceptable for the duration of the contract, the Contractor shall receive a financial incentive.

The FNS-designated COR will notify in writing the Contractor and the Contracting Officer if performance on any of the criteria listed below is less than acceptable. The Contractor shall submit a Corrective Action Plan within 10 working days of receipt of such notification. If the Corrective Action Plan is not acceptable to FNS, the Contractor shall revise the Plan after discussions with FNS' COR and Contracting Officer. If an acceptable Corrective Action Plan is not agreed to by the FNS Contracting Officer, the financial incentive will be eliminated and, at FNS discretion, the contract may be terminated.

FNS established four criteria, yielding five indices, against which the Contractor's performance will be measured on this contract performance.

1. Adherence to Study Schedule: The Contractor shall adhere to the scheduled included in the Schedule of Deliverables Section of this contract. Any deviations from this schedule must be approved by the Contracting Officer and the Contracting Officer's Representative. Schedule modifications may be granted in circumstances which are beyond the Contractor's control (e.g. delay on the part of FNS in providing needed data). All other delays in subtask completion or product delivery will be considered as untimely performance.
 - Index 1: with the exception of monthly progress reports, for each of the deliverables of the 16 tasks of the base study, the seven tasks of Option 1, the seven tasks of Option 2, and the tasks of Options 3, 4, and, the FNS COR shall record 10 points if it was received by the current schedule, 3 points if it was received within 5 working days of the current schedule, or 0 points if received later than 5 working days of the current schedule. To be eligible to receive the financial incentive, performance on this index must total 150 or more for the base study, 60 or more for each of Options 1 and 2, and 10 points for each of Options 3, 4, and 5.
2. Quality of Products Delivered: The Contractor shall deliver products of high quality throughout the duration of the contract performance.

- Index 2: for each of the deliverables, the FNS COR shall rate it as acceptable or unacceptable by making a determination as to whether the material is complete and all issues specified in the tasks and the SOW have been addressed and the presentation is clear. Performance must be rated acceptable on all deliverables to be eligible to receive the financial incentive.
 - Index 3: for each of the deliverables the FNS COR shall record a score of 1 if the deliverable had significant omissions or inaccuracies that required substantial work by the COR in order for the Contractor to deliver an acceptable final product, a score of 3 if the deliverable had minor omissions or inaccuracies that could be fixed by the Contractor without substantial work by the COR, or a score of 2 if quality was in between. To be eligible to receive the financial incentive, performance on this index must total 45 or for the base study, 18 or more for each of Options 1 and 2, and 3 for each of Options 3, 4, and 5.
3. Communication: The Contractor shall keep the Contracting Officer and the FNS COR informed.
- Index 4: at the end of each month of contract performance, The FNS COR shall rate whether the Contractor's responses to requests for information, scheduling of meetings, thoroughness of monthly progress reports and invoices were realistically prompt and complete. To be eligible to receive the financial incentive, the Contractor must receive a prompt and complete rating on more than three-fourths of the months of contract performance.
4. Within Budget: Except for reasons due to the Government, the Contractor is expected to complete the project within the cost set forth in the final business proposal.
- Index 5: the Contractor shall be rated eligible to receive the financial incentive if the total of all project invoices is less than or equal to the target amount, defined as follows: if there is no cost increase, the target amount shall be the total cost of the business proposal accepted by the Government; if there is a cost increase, the target amount shall be the total cost of the business proposal accepted by the Government plus the amount of the increase that was due *solely* to Government cause. If the total of all project invoices exceeds the target amount the Contractor shall be ineligible to receive the financial incentive.

The potential total financial incentive is \$25,000. The Contractor will receive the financial incentive within 60 days of the end of the period of performance if they are rated eligible to receive it on all five of the above indices. The Contractor will not receive the financial incentive if they are rated ineligible to receive it on one or more of the above indices.

SECTION D - PACKAGING AND MARKING

D-1 MARKING DELIVERABLES (AGAR 452.247-71) (FEB 1988)

The contract number shall be placed on or adjacent to all exterior mailing or shipping labels of deliverable items called for by the contract.

D-2 PACKING FOR DOMESTIC SHIPMENT (AGAR 452.247-72) (FEB 1988)

Material shall be packed for shipment in such a manner that will insure acceptance by common carriers and safe delivery at destination. Containers and closures shall comply with the Department of Transportation regulations, Uniform Freight Classification Rules, or regulations of other carriers as applicable to the mode of transportation.

SECTION F - DELIVERIES OR PERFORMANCE

F-1 CLAUSES INCORPORATED BY REFERENCE
(FAR 52.252-2) (JUN 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://www.arnet.gov/far/>

<u>FAR CLAUSE NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.242-15	STOP WORK ORDER (ALTERNATE I)	AUG 1989 APR 1984
52.247-35	F.O.B. DESTINATION WITHIN CONSIGNEE'S PREMISES	APR 1984

F-2 PLACE OF DELIVERY-FOB DESTINATION

All reports and/or deliverables identified herein shall be delivered, and all transportation charges paid by the contractor, in accordance with the FOB Destination Clause (FAR 52.247-35) as follows:

Progress Reports:

One copy of each progress report shall be delivered to the Contracting Office and two copies to the Project Office at the addressees shown below.

Contracting Office:
USDA, Food and Nutrition Service
Contract Management Branch, 2nd Floor
Attention: Laura Hinshaw, Contract Specialist
3101 Park Center Drive
Alexandria, VA 22302

Project Office:

USDA, Food and Nutrition Service
Office of Analysis, Nutrition and Evaluation, Room 503
Sheku Kamara, Contracting Officer's Representative
3101 Park Center Drive
Alexandria, VA 22302

All Other Deliverables:

All required deliverables (with the exception of the Progress Report) shall be delivered to the Contracting Officer's Representative at the below address.

USDA, Food and Nutrition Service
Office of Analysis, Nutrition and Evaluation
Attention: Sheku Kamara, Contracting Officer's
Representative
3101 Park Center Drive, Room 503
Alexandria, VA 22302

F-3 PERIOD OF PERFORMANCE (AGAR 452.211-74) (FEB 1988)

The period of performance of this contract is from through [*]. Also reference Section I-10 *Option to Extend the Term of the Contract*

* To be completed at time of award

F-4 IDENTIFICATION OF CONTRACT DELIVERABLES

Unless otherwise specified by the Contracting Officer in writing, all documents prepared and submitted by the Contractor to the Government under this contract shall include the following information on the cover page of each document:

- (a) Name and business address of the contractor;
- (b) Contract Number;
- (c) Contracting Officer's Representative Name; and
- (d) Date of document.

F-5 TIME OF DELIVERY

The Government requires delivery to be made according to the following schedule:

WIC VENDOR MANAGEMENT STUDY - 2004

Schedule of Deliverables					
Base Contract	Contract Task/Option	Period	Deliverables	Copies/ Due Date	
Task 1	Initial Meeting with FNS	Sept - Oct 03	Agenda	1 *	
			Summary memorandum	5 *	
	Task 2	Review State plans on vendor management	Oct 03 - Feb 04	State Vendor Management Practices Report	5# *
				Task 3	Prepare & submit data collection & analysis plan
	Task 4	Develop sampling strategy, construct sampling frame of WIC vendors	Nov 03 - Jan 04	Develop sampling strategy	1 *
			Jan - Feb 04	Assemble sample frame	1 *
	Task 5	Select first year (2004) study sample	Nov - Dec 03	Select 1st year sample	1 *
				Submit sampling plan	5 *
	Task 6	Develop data collection instruments	Oct 03 - Apr 04	Data collection instruments	5# *
	Task 7	Select and train data collectors	Mar 04 - Aug 04	Develop training materials	5# *
	Task 8	Collect first year (2004) data	June 04 - Oct 04	Data collection Progress Report	2 *
			Oct 04	Summary data collection report	5 *
	Task 9	Develop first year (2004) data files & database	Oct 04 - Feb 05	Database and data files	3@ *
			Feb 05	Documentation	3@ *
	Task 10	Tabulate and analyze first year (2004) data	Mar 05 - July 05	Tabulations and Analytic Tables	2 *
	Task 11	Prepare first year (2004) draft report	Aug - Sept 05	First (2004) draft report	5 *
Task 12	Revise 1st year draft; submit final report	Oct - Nov 05	Revised draft	5 *	
		Dec 05	Final report	5# *	
Task 13	Prepare & submit public use data & analytic files	Mar - Dec 05	Files and documentation	3@ *	
Task 14	Briefing to FNS on study results	Dec 05	Briefing Materials	1## *	
Task 15	Administrative reporting requirements	Oct 03 onward	Monthly status report	15th of mo.	
			Reports/memos of meetings	2 *	
Task 16	Quarterly phone conference meetings	Oct 03 onward	1st phone conference	2 *	
			2nd phone conf.	2 *	
			3rd phone conf.	2 *	
			4th phone conf.	2 *	
OPTIONAL TASKS					
Option 1: Second Year Data collection (2005)	1.1 Select 2005 sample	Feb - Apr 05	Select 2005 sample	1 *	
		Mar 05	submit sampling plan	5 *	
1.2 Collect 2005 data	June - Oct 05	Data Collection Progress Reports	2 *		
		Oct 05	Summary data collection report	5 *	
1.3 Create 2005 database and data files	Oct 05 - Feb 06	Database and data files	3@ *		
		Feb 06	Documentation	3@ *	

1.4 Tabulate and analyze 2005 data	Mar - July 06	Tabulations and Analytic Tables	2	*
1.5 Prepare 2005 Report	Aug - Sept 06	Draft report	5	*
	Oct -Dec 06	Final report	5#	*
1.6 Prepare and submit 2005 data files	Mar - Dec 06	Files and documentation	3@	*
1.7 Briefing FNS on 2005 results	Dec 06	Briefing Materials	1##	*
Option 2: Third Year Data collection 2006				
2.1 Select 2006 sample	Feb - Apr 06	Select 2006 sample	1	*
	Mar 06	Submit Sampling Plan	5	*
2.2 Collect 2006 data	June - Oct 06	Data Collection Progress Report	2	*
	Oct 06	Summary data collection report	5	*
2.3 Create 2006 database amd data files	Oct 05 - Feb 07	Database and data files	3@	*
		7-Feb Documentation	3@	*
2.4 Tabulate and analyze 2006 data	Mar - July 07	Tabulations and Analytic Tables	2	*
2.5 Prepare 2006 Report	Aug - Sept 07	Draft Report	5	*
	Oct - Dec 07	Final report	5#	*
2.6 Prepare and submit 2006 data files	Mar - Dec 07	Files and documentation	3@	*
		7-Dec Briefing Materials	1##	*

Option 3: Review high-risk vendor identification systems				
3.1 Prepare draft and final report of high-risk profiles	Nov 03 - June 04	Draft report	5	*
	June - July 04	Final report	5#	*
3.2 Prepare High-Risk Profile Validation Report	Mar 05 - June 05	Draft report	5	*
	June - July 05	Final report	5#	*
Option 4: Develop study module for trafficking violations				
4.1 Prepare final report and documentation	Nov - Dec 03	Final report	5	*
Option 5: Conduct base study and trafficking module				
5.1 Conduct base study (Items 1-16)	Oct 03 - Dec 05	See Deliverables for Task 1-16		*
5.2 Conduct trafficking study in Option 4		Draft report	5	*
		Final report	5#	*

* To be proposed by Offeror

One of the copies shall be an unbound camera-ready copy; One copy shall be submitted in electronic form using Microsoft Word 7.0 and another in PDF format.

Presentation material shall be in Mocosoft PowerPoint format.

@ Data files and documentation including SAS code shall be prepared on a set of CDs.

A separate set of "Public Use" data files and documentaiton shall also be prepared on CDs.

SECTION G - CONTRACT ADMINISTRATION DATA

G-1 INVOICE REQUIREMENT

Invoices shall be submitted monthly for costs incurred in an original and two copies to the Government office listed below:

U.S. Department of Agriculture
Food and Nutrition Service
Budget Division
3101 Park Center Drive, Room 424
Alexandria, VA 22302

The contractor shall submit by the last business day of each month, an invoice for all work (including work performed by subcontractors) performed under this contract during the preceding month. Each invoice must de-aggregate the invoice's aggregate cost into the cost attributable to each Task Order (or Sub-Task, if applicable) that contributes to the total cost reported by the invoice. Furthermore, the cost attributable to each Task Order (or Sub-Task, if applicable) must be separated into costs attributable to Direct Labor, Other Direct Costs, and Subcontractor Costs. Within each Task Order (or Sub-Task, if applicable) invoice, these three cost categories must be reported as follows:

- A) Direct Labor must report hours worked and the current wage rate for each employee who contributed to total Direct Labor costs (by name and labor category for professional staff and by labor category for support-type staff).
- B) Other Direct Costs must:
 - (1) be reported by source of cost, for example, copier, telephone, or computer expenses, and
 - (2) show how the figure associated with each source of cost was derived.
- C) In the prime contractor's invoice, if the prime contractor has more than one subcontractor, subcontractor costs must be reported separately for each subcontractor.

Note: Subcontractor(s) must also comply with these invoicing requirements, and, if any subcontractor costs were incurred during the reporting month, the prime contractor must submit that subcontractor's invoice along with its own invoice.

In addition to providing information for the preceding month, each invoice shall show, for each Task Order, cumulative costs and labor hours and budgeted costs and budgeted labor hours. For each Task Order which incurred costs during the preceding month, the contractor shall provide, for each Direct Labor, Other Direct Cost, or Subcontractor Cost charge, horizontally adjacent to the previous month's cost (labor hours) figure, the cumulative costs (labor hours) for that cost item (labor category/individual) from time of award through the end of reporting month, and the amount that was budgeted for that cost item (labor category/individual) in the budget submitted in the Task Order Proposal, updated to include any modifications.

To constitute a proper invoice, the invoice must include the following information and/or attached documentation:

- (1) Name of the business concern, invoice number and invoice date;
- (2) Contract number [and purchase order number provided at time of award];
- (3) Description, price, and quantity of property and services actually delivered or rendered;
- (4) Shipping and payment terms; and
- (5) Name, title, phone number, and complete mailing address of responsible official to whom payment is to be sent.

Further, each invoice **MUST** include sufficient support documentation to allow for verification of cost (e.g., copies of invoices, purchase orders, receipts, etc.).

G-2 METHOD OF PAYMENT

PAYMENTS UNDER THIS CONTRACT SHALL BE MADE VIA ELECTRONIC FUNDS TRANSFER METHOD, i.e. "VENDOR EXPRESS."

"Vendor Express" is direct deposit for businesses that provide goods and services to any Federal agency. Payments are made electronically through the Automated Clearing House network for deposit directly into your bank account on the payment due date.

The contractor, after award and not later than 21 days prior to submission of an invoice, **must** obtain and complete a vendor express enrollment package. The enrollment package is available on the Internet by selecting *Electronic Funds Transfer (EFT)*

Enrollment located on the left hand side of the National Finance Center (NFC) home page (www.nfc.usda.gov). If a vendor does not have Internet access they may contact the National Finance Center at 1-800-421-0323 (or 504-255-3324) and request instructions for establishing a "Vendor Express" payment account.

(See also 52.232-33 MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT in Section I)

G-3 PAYMENT DUE DATE

Payment under this contract will be due on the 30th calendar day after the later of:

- (a) The date of actual receipt of a proper invoice in the office designated to receive the invoice, or
- (b) Receipt of the scheduled monthly progress payment, or
- (c) The date of completion of performance of the services.

G-4 CONTRACT ADMINISTRATION

a) The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract. This authority remains solely with the Contracting Officer. In the event the contractor effects any change at the direction of any person other than the Contracting Officer, the changes will be considered to have been made without authority and no adjustment will be made in the contract price to cover any increase in costs incurred as a result thereof.

(b) The Contractor shall designate one individual to be contacted during the period of the contract for prompt contract administration:

NAME: [*]
TELEPHONE: [*] FAX: [*]
TITLE: [*]

(c) The Government Contract Administrator is:

NAME: Laura Hinshaw
TELEPHONE: (703) 305-1532 FAX: (703) 305-2071
TITLE: Contract Specialist

(d) The Government Contracting Officer's Representative is:

NAME: [*]
TELEPHONE: [*] FAX: [*]
TITLE: Contracting Officer's Representative

(e) The Government Contracting Officer's Technical Representative is:

NAME: [*]
TELEPHONE: [*] FAX: [*]
TITLE: Contracting Officer's Technical Representative

(f) The Government Contracting Officer is:

NAME: Leonard Green
TELEPHONE: (703) 305-2257 FAX: (703) 305-2071
TITLE: Contracting Officer

[* TO BE COMPLETED AT TIME OF AWARD]

**G-5 CONTRACTING OFFICER'S REPRESENTATIVE (COR) AND
CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)**

Definitions:

"Contracting Officer's Representative" - The Contracting Officer's Representative (COR) is designated by the Contracting Officer, in writing, and is contract specific. The COR is the technical representative for all technical requirements of the specific contract.

"Contracting Officer's Technical Representative" - The Contracting Officer's Technical Representative (COTR) is designated by the Contracting Officer, in writing, and is task specific. The COTR will assist the COR with the technical requirements and other administrative responsibilities of a specific task.

"Contracting Officer" - The Contracting Officer is the only individual with authority to enter into, administer, or terminate contracts. The Contracting Officer ensures 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.

Limits on the Authority of the COR/COTR:

The authority of the COR/COTR is limited. The Contracting Officer may not delegate the following authority to:

1. Award, agree to, or execute any contract, task order, or contract modification;
2. Obligate, in any way, the payment of money by the Government;
3. Take any action which may have an impact on the contract or task order schedules, funds, or the scope of work/task description.
4. Make the final decision on any matter that would be subject to appeal under the Disputes clause; and
5. Terminate, for any case, the contractor's right to proceed.

Responsibilities:

The COR/COTR is authorized to take any or all actions as specified below which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of the contract.

1. Assure that the Contractor performs the contract technical requirements in accordance with its terms, conditions and scope of work providing guidance when necessary.
2. Perform or arrange for all inspections necessary in connection with (1) above and require the contractor to correct any deficiencies that are found; recommend acceptance for all deliverables on behalf of the Government; record the inspections and acceptance and insure that distribution of approvals/disapprovals are made to the contractor and the Contracting Officer. Review all contract deliverables and provide inspection and acceptance documentation to the Contracting Officer. You have the responsibility to track and retain all contract deliverables. When inspections are performed by the COTR, the COR will make the final determination on acceptance.
3. Maintain liaison and direct communication with the contractor. Written communications with the contractor and all contract related correspondence shall be signed as "Contracting Officer's Representative" with a copy furnished to the Contracting Officer for the file.
4. Issue written technical interpretations of the Government scope of work. Interpretations which could impact delivery schedules, funding, or the scope of work must be coordinated with the Contracting Officer and a copy of all written interpretations must be furnished to the Contracting Officer for the file.
5. Monitor the contractor's production or progress performance and notify the contractor, in writing, of

deficiencies observed during surveillance, and direct appropriate corrective actions **EXCEPT** where such corrective action would affect delivery schedule, price or scope of work. In those instances where corrective action would affect delivery schedule, price or scope of work, the COR shall notify the Contracting Officer of the problem and recommend corrective action. Record and report to the undersigned incidents of faulty or nonconforming work, delays, or problems.

6. Coordinate site entry for contractor personnel and, if to be provided, ensure that Government-furnished property is available when required.
7. Review of payment requests to verify actual performance to determine reasonableness of billed amounts and to determine compliance with the contract terms. Ensure that adequate supporting documentation for subcontract and vendor costs is obtained before approval. Recommend to the FNS Accounting or Budget Division the payment amount. When costs are questioned or recommended for disallowance, the Contracting Officer must be notified before approval and submission for payment. To ensure accurate balances are kept, the COR or COTR should reconcile voucher expenditures and balances with the Contracting Officer and Accounting or Budget Office quarterly.
8. Ensure that the contractor **is not directed** to employ individuals or enter into subcontract agreements for performance of a specific task. Recommendations for subcontracting opportunities shall be sent, in writing, to the Contracting Officer.
9. **Definition of Subcontract:** *Any supplier, distributor, vendor or firm, including consultants, that furnishes supplies or services to or for a prime contract or another subcontractor. THE FOLLOWING RULES MUST BE ADHERED TO--*

Review and consent of subcontract and consultant agreements to determine if (1) the services are technically justified and (2) the proposed subcontract type is appropriate for the risks involved and consistent with current policy. Subcontract consent is required for (1) all cost-reimbursement, time-and-materials or labor-hour subcontracts

and (2) fixed-price subcontracts that exceed either \$25,000 or 5% of the total estimated cost of the task order. Consultant consent is required whenever any employee of the contractor is to be reimbursed as a "consultant" under the contract. COTRs will ensure that no additional subcontractors are engaged under the contract without the prior approval of the COR. The Contracting Officer will provide written approval to the Contractor in accordance with the terms of the contract.

10. Identify Contracting Officer Technical Representatives (COTR's) for each task, when appropriate. All COTR responsibilities must be coordinated with the COR. The COTR will provide technical guidance and monitor contract performance. Payment requests may be reviewed and initialed by the COTR, **however, payment authorizations can only be made by the COR.**
11. To the extent possible, provide well defined, clear and concise task descriptions for new tasks. When tasks are broad in scope and assignments or technical guidance is communicated to the contractor verbally, the COTR or COR **must memorialize the communication in writing.**
12. Only the Contracting Officer, Contract Specialist or COR/COTR have authority to contact contractors to discuss costs and/or the technical requirements of the contract. **Contacts from other government employees could result in unauthorized commitments.** Government representatives who are working on, or asked to work on, a particular contractual issue must **not** contact the contractor directly but should coordinate the activity with the Contracting Officer or COR/COTR. The COR/COTR must be present at all procurement related contacts and meetings with the contractor. Depending on the nature of the meeting, the COR/COTR must also give advance notification to the Contracting Officer or Contract Specialist. All contacts with contractors must be documented and retained with the COR's/COTR's contract correspondence file. As deemed appropriate, one copy must be forwarded to the Contracting Officer. Examples of documented contacts are providing technical direction, work plan instructions, not accepting a deliverable, potential changes to the statement of work or delivery schedule, costs and subcontractor or consultant recommendations.
13. Review monthly progress reports to ensure compliance with contract performance requirements.

G-6 SUBCONTRACT CONSENT

The Contractor shall submit the information required by the "Subcontracts" FAR 52.244-2 clause to the Contracting Officer. The Contracting Officer will provide written notice to the Contractor of the decision.

G-7 GOVERNMENT FURNISHED DATA

The Government shall deliver to the Contractor the Government-furnished data described in the contract. Title to Government-furnished data shall remain with the Government. The Contractor shall use the Government-furnished data only in connection with this contract. Provisions of FAR 52.245-5, Government Furnished Property, incorporated in Section I, will apply to all Government furnished data.

The following data which will be furnished to the Contractor as required, will remain the property of the Government and will be returned to the Government upon completion of the contract:

(To be filled in at time of award, if appropriate)

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H-1 PRINTING

Unless otherwise specified in this contract, the Contractor shall not engage in, nor subcontract for, any printing (as that term is defined in Title I of the Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with the performance of work under this contract. Provided, however, that performance of a requirement under this contract involving the duplication of less than 25,000 units in the aggregate of multiple pages, will not be deemed to be printing. For the purpose of this paragraph, such pages may not exceed a maximum image size of 10 3/4 by 14 1/4 inches.

H-2 PAPERWORK REDUCTION ACT

In the event that it becomes a contractual requirement to collect identical information from ten or more public respondents, the Paperwork Reduction Act, 44 U.S.C., 3501 et seq., shall apply to this contract. In such an event, the contractor shall not expend any funds to take any other action whatsoever to solicit information from any of the public respondents until the Contracting Officer has notified the contractor in writing that the required Office of Management and Budget clearance has been obtained. The contractor shall provide to the Contracting Officer's Representative (COR) or to the Contracting Officer such information as will facilitate obtaining such clearance.

H-3 INCORPORATION OF SUBCONTRACTING PLAN AND REPORTING REQUIREMENTS

The negotiated subcontracting plan dated _____ is hereby incorporated by reference. Failure of the contractor to make a good faith effort to comply with the subcontracting plan may result in the assessment of liquidated damages in accordance with the Clause at 52.219-16, Liquidated Damages--Subcontracting Plan, Section I herein.

In accordance with the Clause in Section I, FAR 52.219-9 Small Business Subcontracting Plan, the Contractor shall submit the reports specified below as follows:

<u>Reporting Period</u>	<u>Report</u>	<u>Due Date</u>
Oct 1 - Mar 31	SF-295 Summary Subcontract Report (Rev. 12/98)	04/30
Oct 1 - Sep 30	SF-295 Summary Subcontract Report (Rev. 12/98)	10/30
Oct 1 - Mar 31	SF-294 Subcontracting Report for Individual Contracts (Rev. 12/98)	04/30
Apr 1 - Sep 30	SF-294 Subcontracting Report for Individual Contracts (Rev. 12/98)	10/30

*OF-312 Small Disadvantaged Business (SDB) Participation Report (1/99)
(ATTACH THIS REPORT TO THE FINAL SF-294, SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS)

SF-294 - Submit original to the cognizant Contracting Officer at the address below:

USDA/FNS
 Attn: Leonard Green, Contracting Officer
 Contract Management Branch
 3101 Park Center Drive, Room 914
 Alexandria, VA 22302

SF-295 - Submit original directly to the USDA, Office of Small and Disadvantaged Business Utilization at the address below. A courtesy copy shall be submitted to the Contracting Officer at the address listed above.

USDA/OSDBU
 Attn: Belinda Ward
 14th & Independence Ave., S.W.
 Room 1323, South Building
 Washington, DC 20250

H-4 ADP COMPATIBILITY

The contractor agrees to comply with both the U.S. Department of Agriculture's (USDA) and the Food and Nutrition Service's (FNS) ADP system security requirements to the extent necessary to meet the requirements of the work herein. All databases created and maintained by the contractor shall have proper validation and

control techniques, and all ADP resources, including data tapes, which become the property of the Government shall be fully documented, both in source code (if any) and written materials. Software documentation shall include, as appropriate (in the determination of the Contracting Officer's Representative), flowcharts; textual explanation of subroutines, processes, and algorithms; screens; and other materials as necessary to ensure that a programmer conversant with the language may maintain the software. Database documentation shall include: variable names and labels; variable locations the source of each data item; the formulas used to compute or transform variables, if any, database structure and relationship; a printout of the data or first 50 pages. Further, all data tapes must be compatible with FNS ADPE.

FNS performs its computing applications entirely in an IBM-oriented environment; that is directly on IBM or IBM compatible hardware. Work performed under this contract may require transfer of limited data and text files, as well as extensive data tapes. Optimum effort shall be general ease of use by FNS personnel of these transferred data tapes and diskettes. In particular, all physical storage media must be on 3 1/2" diskettes formatted to be used on IBM AT compatible computers, and must be accompanied by accessing and format information.

In addition, there may be occasion where some deliverables will be significantly enhanced by inclusion of data and text diskettes, thus allowing further processing and manipulation by FNS staff. Collaboration between the contractor and the responsible FNS official concerning appropriate computer deliverables may occur during performance of work, as appropriate.

H-5 KEY PERSONNEL (AGAR 452.237-74) (FEB 1988)

(a) The Contractor shall assign to this contract the following key personnel:

_____ *

(b) During the first ninety (90) days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is necessitated by illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within 15 calendar days after the occurrence

*** To be completed at time of award**

(3) If this is a requirements contract (*i.e.*, includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(4) Notwithstanding paragraphs (2) and (3) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (2), unless that order (or orders) is returned to the ordering office within 5 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

H-6 OMBUDSMEN

The Food and Nutrition Service (FNS) has designated a ombudsmen to address concerns of procurement improprieties. The designations and responsibilities are described below:

PROCUREMENT OMBUDSMAN

Concerns of procurement impropriety or the appearance of impropriety should be immediately brought to the attention of the Contracting Officer. If you choose not to raise the issue to the Contracting Officer, the Agency has designated Mr. John M. Heslin, Chief, Administrative Review Branch, Grants Management Division, as the Procurement Ombudsman (PO). Mr. Heslin will serve as an additional source available to contractors, subcontractors, and FNS staff who may have concerns regarding possible impropriety or the appearance of impropriety in a contract, but choose not to raise the issue through normal administrative mechanisms.

Mr. Heslin has independent authority to address any issue of impropriety with absolute confidentiality and report directly to the Agency Administrator as necessary. He will have complete access to everyone involved in the process, at all levels in the FNS organization. Additionally, Mr. Heslin has full authority to complete a thorough review of each concern raised. Mr. Heslin may be reached by calling (703) 305-2820 or (703) 305-2822 or at the mailing address below.

Mr. John Heslin
USDA/FNS/GMD/ARB
3101 Park Center Drive
Room 1002
Alexandria, VA 22302

This clause shall be incorporated in all subcontracts.

H-7 DEBT COLLECTION

Any monies that are payable or may become payable from the United States under this agreement to any person or legal entity not an agency or subdivision of a State or local government may be subject to administrative offset for the collection of a delinquent debt the person or legal entity owes to the United States, under the Federal Claims Collection Act of 1966, as amended by the Debt Collection Act of 1982 (31 U.S.C. 3701, 3711, 3716-3719); 4 CFR part 102 and subpart B of this part). Information on the person's or legal entity's responsibility for a commercial debt or delinquent consumer debt owed the United States will be disclosed to consumer or commercial credit reporting agencies.

SECTION I - CONTRACT CLAUSES

I-1 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2)(FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://www.arnet.gov/far/>

<u>CLAUSE NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.202-1	DEFINITIONS	DEC 2001
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN 2003
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JUL 1995
52.215-2	AUDIT AND RECORDS - NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE-UNIFORM CONTRACT FORMAT	OCT 1997

<u>CLAUSE NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.215-11	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-MODIFICATIONS	OCT 1997
52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT 1997
52.215-13	SUBCONTRACTOR COST OR PRICING DATA-MODIFICATIONS	OCT 1997
52.215-17	WAIVER OF FACILITIES CAPITAL COST OF MONEY	OCT 1997
52.216-7	ALLOWABLE COST AND PAYMENT	DEC 2002
52.216-8	FIXED FEE	MAR 1997
52.217-7	OPTION FOR INCREASED QUANTITY-SEPARATELY PRICED LINE ITEM	MAR 1989
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT 2000
52.219-14	LIMITATIONS ON SUBCONTRACTING	DEC 1996
52.219-16	LIQUIDATED DAMAGES - SUBCONTRACTING PLAN	JAN 1999
52.222-2	PAYMENT FOR OVERTIME PREMIUMS	JUL 1990
52.222-3	CONVICT LABOR	JUN 2003
52.222-26	EQUAL OPPORTUNITY	APR 2002
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	DEC 2001
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	DEC 2001

<u>CLAUSE NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED	MAY 1989
52-223-6	DRUG-FREE WORKPLACE	MAY 2001
52.223-14	TOXIC CHEMICAL RELEASE REPORTING	JUN 2003
52.225-11	BUY AMERICAN ACT-CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS	JUN 2003
52.226-1	UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES	JUN 2000
52.227-14	RIGHTS IN DATA - GENERAL	JUN 1987
52.228-7	INSURANCE - LIABILITY TO THIRD PERSONS	MAR 1996
52.230-2	COST ACCOUNTING STANDARDS	APR 1998
52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES	APR 1998
52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	NOV 1999
52.232-9	LIMITATION ON WITHHOLDING OF PAYMENTS	APR 1984
52.232-17	INTEREST	JUN 1996
52.232-18	AVAILABILITY OF FUNDS	APR 1984
52.232-19	AVAILABILITY OF FUNDS FOR NEXT FY	APR 1984
52.232-20	LIMITATION OF COST	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	FEB 2002
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION	MAY 1999

<u>CLAUSE NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.233-1	DISPUTES	JUL 2002
52.233-3	PROTEST AFTER AWARD-ALTERNATE I (JUN 1985)	AUG 1996
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	MAY 2001
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	JAN 1997
52.242-13	BANKRUPTCY	JUL 1995
52.243-2	CHANGES - COST-REIMBURSEMENT ALTERNATE I (APR 1984)	AUG 1987
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996
52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS)	JUN 2003
52.246-25	LIMITATION OF LIABILITY - SERVICES	FEB 1997
52.249-6	TERMINATION (COST-REIMBURSEMENT)	SEP 1996
52.249-14	EXCUSABLE DELAYS	APR 1984
52.251-1	GOVERNMENT SUPPLY SOURCES	APR 1984
52-253-1	GOVERNMENT GENERATED FORMS	JAN 1991

I-2 NOTIFICATION OF OWNERSHIP CHANGES (FAR 52.215-19)(OCT 1997)

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Contracting Officer within 30 days.

(2) The Contractor shall also notify the Contracting

Officer within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall-

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the Contracting Officer or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractors ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

I-3 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA-MODIFICATIONS (FAR 52.215-21) (OCT 1997) ALTERNATE IV (OCT 1997)

(a) Submission of cost or pricing data is not required.

(b) Cost or pricing information required for submission in support of modifications will be determined separately for each modification and will be requested prior to issuance of any modification.

I-4 RIGHTS TO PROPOSAL DATA (TECHNICAL) (FAR 52.227-23) (JUN 1987)

Except for the data contained on pages: _____, it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the government shall have unlimited rights (as defined in the "Rights in data -- General" clause contained in this contract) in and to the technical data contained in the proposal dated: _____, upon which this contract is based.

I-5 CONFIDENTIALITY OF INFORMATION (AGAR 452.224-70) (FEB 1988)

(a) Confidential information, as used in this clause, means:
(1) Information or data of a personal nature, proprietary about an individual, or (2) information or data submitted by or pertaining to an institution or organization.

(b) In addition to the types of confidential information described in (a)(1) and (2) above, information which might require special consideration with regard to the timing of its disclosure may derive from studies or research during which public disclosure of primarily invalidated findings could create an erroneous conclusion which might threaten public health or safety if acted upon.

(c) The Contracting Officer and the Contractor may, by mutual consent, identify elsewhere in this contract specific information and/or categories of information which the Government will furnish to the Contractor or that the Contractor is expected to generate which is confidential. Similarly, the Contracting Officer and the Contractor may, by mutual consent, identify such confidential information from time to time during the performance of the contract. Failure to agree will be settled pursuant to the "Disputes" clause.

(d) If it is established that information to be utilized under this contract is subject to the Privacy Act, the Contractor will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. 552a, and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

(e) Confidential information, as defined in (a)(1) and (2) above, shall not be disclosed without the prior written consent of the individual, institution or organization.

(f) Written advance notice of at least 45 days will be provided to the Contracting Officer of the Contractor's intent to release findings of studies or research, which have the possibility of adverse effects on the public or the Federal agency, as described in (b) above. If the Contracting Officer does not pose any objections in writing within the 45 day period, the contractor may proceed with disclosure. Disagreements not resolved by the Contractor and Contracting Officer will be settled pursuant to the "Disputes" clause.

(g) Whenever the Contractor is uncertain with regard to the proper handling of material under the contract, or if the material in question is subject to the Privacy Act or is confidential information subject to the provisions of this clause, the Contractor shall obtain a written determination from the Contracting Officer prior to any release, disclosure, dissemination, or publication.

(h) The provisions of paragraph (e) of this clause shall not apply when the information is subject to conflicting or overlapping provisions in other Federal, State or local laws.

I-6 RESTRICTIONS AGAINST DISCLOSURE

(AGAR 452.237-75) (FEB 1988)

(a) The Contractor agrees, in the performance of this contract, to keep all information contained in source documents or other media furnished by the Government in the strictest confidence. The Contractor also agrees not to publish or otherwise divulge such information in whole or in part in any manner or form, or to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the Contractor's possession, to those employees needing such information to perform the work provided herein, i.e., on a "need to know" basis. The Contractor agrees to immediately notify in writing, the Contracting Officer, named herein, in the event that the Contractor determines or has reason to suspect a breach of this requirement.

(b) The Contractor agrees not to disclose any information concerning the work under this contract to any persons or individual unless prior written approval is obtained from the Contracting Officer. The Contractor agrees to insert the substance of this clause in any consultant agreement or subcontract hereunder.

I-7 SUBCONTRACTS (FAR 52.244-2) (AUG 1998) (ALTERNATE II)

(a) *Definitions.* As used in this clause-

"Approved purchasing system" means a Contractor's purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

"Consent to subcontract" means the Contracting Officer's written consent for the Contractor to enter into a particular subcontract.

"Subcontract" means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) This clause does not apply to subcontracts for special test equipment when the contract contains the clause at FAR 52.245-18, Special Test Equipment.

(c) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (d) or (e) of this clause.

(d) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that-

(1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or

(2) Is fixed-price and exceeds-

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(e) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontract:

(f)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (c), (d), or (e) of this clause, including the following information:

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor.

(iv) The proposed subcontract price.

(v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.

(vii) A negotiation memorandum reflecting-

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised prices;

(C) The reason cost or pricing data were or were not required;

(D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;

(E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;

(F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and

(G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.

(2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c), (d), or (e) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price

subcontract that exceeds either the simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (f)(1)(i) through (f)(1)(iv) of this clause.

(g) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination-

(1) Of the acceptability of any subcontract terms or conditions;

(2) Of the allowability of any cost under this contract; or

(3) To relieve the Contractor of any responsibility for performing this contract.

(h) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).

(i) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(j) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.

(k) Paragraphs (d) and (f) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

I-8 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS
(FAR 52.244-6)(APR 2003)

(a) *Definitions.* As used in this clause-

"Commercial item" has the meaning contained in the clause at 52.202-1, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c) (1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.219-8, Utilization of Small Business Concerns (Oct 2000) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212(a));

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (June 1998) (29 U.S.C. 793).

(v) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631) (flow down required in accordance with paragraph (d) of FAR clause 52.247-64).

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

I-9 SMALL BUSINESS SUBCONTRACTING PLAN (FAR 52.219-9)(JAN 2002)
(ALTERNATE II)(JAN 2002)

(a) This clause does not apply to small business concerns.

(b) *Definitions.* As used in this clause-

"Commercial item" means a product or service that satisfies the definition of commercial item in section 2.101 of the Federal Acquisition Regulation.

"Commercial plan" means a subcontracting plan (including goals) that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

"Individual contract plan" means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.

"Master plan" means a subcontracting plan that contains all the required elements of an individual contract plan, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved.

"Subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

(c) The apparent low bidder, upon request by the Contracting Officer, shall submit a subcontracting plan, where applicable, that separately addresses

subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. If the bidder is submitting an individual contract plan, the plan must separately address subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns, with a separate part for the basic contract and separate parts for each option (if any). The plan shall be included in and made a part of the resultant contract. The subcontracting plan shall be submitted within the time specified by the Contracting Officer. Failure to submit the subcontracting plan shall make the bidder ineligible for the award of a contract.

(d) The offeror's subcontracting plan shall include the following:

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

(2) A statement of-

(i) Total dollars planned to be subcontracted for an individual contract plan; or the offeror's total projected sales, expressed in dollars, and the total value of projected subcontracts to support the sales for a commercial plan;

(ii) Total dollars planned to be subcontracted to small business concerns;

(iii) Total dollars planned to be subcontracted to veteran-owned small business concerns;

(iv) Total dollars planned to be subcontracted to service-disabled veteran-owned small business;

(v) Total dollars planned to be subcontracted to HUBZone small business concerns;

(vi) Total dollars planned to be subcontracted to small disadvantaged business concerns; and

(vii) Total dollars planned to be subcontracted to women-owned small business concerns.

(3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to-

(i) Small business concerns;

(ii) Veteran-owned small business concerns;

(iii) Service-disabled veteran-owned small business concerns;

(iv) HUBZone small business concerns;

(v) Small disadvantaged business concerns; and

(vi) Women-owned small business concerns.

(4) A description of the method used to develop the subcontracting goals in paragraph (d)(1) of this clause.

(5) A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in PRO-Net as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining a small, veteran-owned small, service-disabled veteran-owned small, HUBZone small, small disadvantaged, and women-owned small business source list. Use of PRO-Net as its source list does not relieve a firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause.

(6) A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with-

- (i) Small business concerns;
- (ii) Veteran-owned small business concerns;
- (iii) Service-disabled veteran-owned small business concerns;
- (iv) HUBZone small business concerns;
- (v) Small disadvantaged business concerns; and
- (vi) Women-owned small business concerns.

(7) The name of the individual employed by the offeror who will administer the offeror's subcontracting program, and a description of the duties of the individual.

(8) A description of the efforts the offeror will make to assure that small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns have an equitable opportunity to compete for subcontracts.

(9) Assurances that the offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility) to adopt a subcontracting plan that complies with the requirements of this clause.

(10) Assurances that the offeror will-

- (i) Cooperate in any studies or surveys as may be required;
- (ii) Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan;

(iii) Submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with paragraph (j) of this clause. The reports shall provide information on subcontract awards to small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with the instructions on the forms or as provided in agency regulations.

(iv) Ensure that its subcontractors agree to submit SF 294 and SF 295.

(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the offeror's efforts to locate small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

(i) Source lists (e.g., PRO-Net), guides, and other data that identify small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.

(ii) Organizations contacted in an attempt to locate sources that are small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business concerns.

(iii) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating-

(A) Whether small business concerns were solicited and, if not, why not;

(B) Whether veteran-owned small business concerns were solicited and, if not, why not;

(C) Whether service-disabled veteran-owned small business concerns were solicited and, if not, why not;

(D) Whether HUBZone small business concerns were solicited and, if not, why not;

(E) Whether small disadvantaged business concerns were solicited and, if not, why not;

(F) Whether women-owned small business concerns were solicited and, if not, why not; and

(G) If applicable, the reason award was not made to a small business concern.

(iv) Records of any outreach efforts to contact-

(A) Trade associations;

(B) Business development organizations;

(C) Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, and women-owned small business sources; and

(D) Veterans service organizations.

(v) Records of internal guidance and encouragement provided to buyers through-

(A) Workshops, seminars, training, etc.; and

(B) Monitoring performance to evaluate compliance with the program's requirements.

(vi) On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement.

(e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:

(1) Assist small business, veteran-owned small

business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.

(2) Provide adequate and timely consideration of the potentialities of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in all "make-or-buy" decisions.

(3) Counsel and discuss subcontracting opportunities with representatives of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business firms.

(4) Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, veteran-owned small business, HUBZone small, small disadvantaged, or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.

(f) A master plan on a plant or division-wide basis that contains all the elements required by paragraph

(d) of this clause, except goals, may be incorporated by reference as a part of the subcontracting plan required of the offeror by this clause; provided-

(1) The master plan has been approved;

(2) The offeror ensures that the master plan is updated as necessary and provides copies of the approved master plan, including evidence of its approval, to the Contracting Officer; and

(3) Goals and any deviations from the master plan deemed necessary by the Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.

(g) A commercial plan is the preferred type of subcontracting plan for contractors furnishing commercial items. The commercial plan shall relate to the offeror's planned subcontracting generally, for both commercial and Government business, rather than solely to the Government contract. Commercial plans are also preferred for subcontractors that provide commercial items under a prime contract, whether or not the prime contractor is supplying a commercial item.

(h) Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the offeror for award of the contract.

(i) The failure of the Contractor or subcontractor to comply in good faith with-

(1) The clause of this contract entitled "Utilization Of Small Business Concerns;" or

(2) An approved plan required by this clause, shall be a material breach of the contract.

(j) The Contractor shall submit the following reports:

(1) *Standard Form 294, Subcontracting Report for Individual Contracts.* This report shall be submitted to the Contracting Officer semiannually and at contract completion. The report covers subcontract award data related to this contract. This report is not required for commercial plans.

(2) *Standard Form 295, Summary Subcontract Report.* This report encompasses all of the contracts with the awarding agency. It must be submitted semi-annually for contracts with the Department of Defense and annually for contracts with civilian agencies. If the reporting activity is covered by a commercial plan, the reporting activity must report annually all subcontract awards under that plan. All reports submitted at the close of each fiscal year (both individual and commercial plans) shall include a breakout, in the Contractor's format, of subcontract awards, in

whole dollars, to small disadvantaged business concerns by North American Industry Classification System (NAICS) Industry Subsector. For a commercial plan, the Contractor may obtain from each of its subcontractors a predominant NAICS Industry Subsector and report all awards to that subcontractor under its predominant NAICS Industry Subsector.

I-10 OPTION TO EXTEND THE TERM OF THE CONTRACT-
 (FAR 217-9) (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) Exercise of an option will result in the following contract modifications:

(1) The "Period of Performance" clause F-3 (AGAR 452.211-74) is modified for each respective option period as follows:

<u>Period</u>	<u>Start Date</u>	<u>End Date</u>
Option 1	[*]	[*]_
Option 2	[*]	[*]_
Option 3	[*]	[*]_
Option 4	[*]	[*]_
Option 5	[*]	[*]

***to be completed at time of award**

(2) The "Estimated and Allowable Cost" clause B-2 is modified to reflect increased estimated costs and fixed-fees for each respective option period as follows:

<u>Period</u>	<u>Estimated Cost</u>	<u>Fixed Fee</u>	<u>Total</u>
Option 1	[*]	[*]	[*]
Option 2	[*]	[*]	[*]
Option 3	[*]	[*]	[*]
Option 4	[*]	[*]	[*]
Option 5	[*]	[*]	[*]

* to be completed at time of award

I-11 NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS (FAR 52.219-23) (JUN 2003)

(a) Definitions. As used in this clause--

"Small disadvantaged business concern" means an offeror that represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

(1) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(i) No material change in disadvantaged ownership and control has occurred since its certification;

(ii) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(iii) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net)

(2) It has submitted a completed application to the Small

Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted. In this case, in order to receive the benefit of a price evaluation adjustment, an offeror must receive certification as a small disadvantaged business concern by the Small Business Administration prior to contract award; or

(3) Is a joint venture as defined in 13 CFR 124.1002(f).

"Historically black college or university" means an institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. For the Department of Defense (DoD), the National Aeronautics and Space Administration (NASA), and the Coast Guard, the term also includes any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

"Minority institution" means an institution of higher education meeting the requirements of Section 1046(3) of the Higher Education Act of 1965 (20 U.S.C.1067k including a Hispanic-serving institution of higher education as defined in Section 316(b)(1)of the Act (20 U.S.C. 1101a)).

(b) Evaluation adjustment.

(1) The Contracting Officer will evaluate offers by adding a factor of 10% percent to the price of the offers, except-

(i) Offers from small disadvantaged business concerns that have not waived the adjustment;

(ii) An Otherwise successful offer of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is equaled or exceeded (see Section 25.402 of the Federal Acquisition Regulation (FAR));

(iii) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government; and

(iv) For DOD, NASA, and Coast Guard acquisitions, otherwise successful offers from historically black colleges or universities or minority institutions;

(v) For DOD acquisitions, otherwise successful offers of qualifying country end products (see Sections 225.000-70 and 252.225-7001 of the Defense FAR Supplement).

(2) The contracting Officer will apply the factor to a line item

or to a group of items on which award may be made. The contracting officer will apply other evaluation factors described in the solicitation before application of the factor. The factor may not be applied if using the adjustment would cause the contract award to be made at a price that exceeds the fair market price by more than the factor in paragraph (b)(1) of this clause.

(c) Waiver of evaluation adjustment. A small disadvantaged business concern may elect to waive the adjustment, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply to offers that waive the adjustment.

(__) Offeror elects to waive the adjustment.

(d) Agreements.

(1) A small disadvantaged business concern, that did not waive the adjustment, agrees that in performance of the contract, in the case of a contract for--

(i) Services, except construction, at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern;

(ii) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern;

(iii) General construction, at least 15 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern; or

(iv) Construction by special trade contractors, at least 25 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern.

(2) A small disadvantaged business concern submitting an offer in its own name agrees to furnish in performing this contract only end items manufactured or produced by small disadvantaged business concerns in the United States. This paragraph does not apply in connection with construction or service contracts.

**I-12 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--
DISADVANTAGE STATUS AND REPORTING** (FAR 52.219-25) (OCT 1999)

(a) Disadvantaged status for joint venture partners, team members, and subcontractors. This clause addresses disadvantaged status for joint venture partners, teaming arrangement members, and subcontractors and is applicable if this contract contains small disadvantaged business (SDB) participation targets. The Contractor shall obtain representations of small disadvantaged status from joint venture partners and teaming arrangement members through use of a provision substantially the same as paragraph (b)(1)(i) of the provision at FAR 52.219-22, Small Disadvantaged Business Status. The Contractor shall confirm that a joint venture partner or team member, representing itself as a small disadvantaged business concern, is included in the SBA's on-line list of SDBs at <http://www.sba.gov> or by contacting the SBA's Office of Small Disadvantaged Business Certification and Eligibility. The Contractor acting in good faith may rely on a written representation of its subcontractor regarding the subcontractor's status as a small disadvantaged business concern as defined in 13 CFR 124.1002.

(b) Reporting requirement. If this contract contains SDB participation targets, the Contractor shall report on the participation of SDB concerns at contract completion, or as otherwise provided in this contract. Reporting may be on Optional Form 312, Small Disadvantaged Business Participation Report, or in the Contractor's own format providing the same information. This report is required for each contract containing SDB participation targets. If this contract contains an individual Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan, reports may be submitted with the final Subcontracting Report for Individual Contracts (Standard Form 294) at the completion of the contract.

**I-13 NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL
BUSINESS CONCERNS** (FAR 52.219-4) (JAN 1999)

(a) *Definition.* "HUBZone small business concern," as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(b) *Evaluation preference.*

(1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers, except-

(i) Offers from HUBZone small business concerns that have not waived the evaluation preference;

(ii) Otherwise successful offers from small business concerns;

(iii) Otherwise successful offers of eligible products

under the Trade Agreements Act when the dollar threshold for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR)); and

(iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219-23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer. These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) *Waiver of evaluation preference.* A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

o Offeror elects to waive the evaluation preference.

(d) *Agreement.* A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for-

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the

performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

SECTION J - LIST OF ATTACHMENTS

LIST OF ATTACHMENTS 452.252-70 (FEB 1988)

The Contracting Officer shall insert appropriately identified list of documents, exhibits and other attachments by title, date, and number of pages.

<u>IDENTIFIER</u>	<u>DESCRIPTION</u>	<u># OF PAGES</u>
Attachment I	List of References	1

ATTACHMENT I

List of References

All referenced materials listed below are available in a reading room maintained by the FNS Contracts Office at 3101 Park Center Drive, Alexandria, VA. An appointment is necessary. Please contact Laura Hinshaw, Contract Specialist, at (703) 305-1532 to schedule an appointment. In addition, two of the reference materials listed below are available on the FNS Internet website.

1. Food and Nutrition Service (FNS). Vendor Activity Monitoring Profile (VAMP) Reports. Alexandria, VA: USDA, FNS, Supplemental Food Programs Division.
2. FNS. The Integrity Profile (TIP) Report, Fiscal Year 2000. Alexandria, VA: USDA, FNS, Supplemental Food Programs Division.
<http://www.fns.usda.gov/wic/RetailerInfo/TIPreport.htm>
3. U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation, WIC Vendor Management Systems and Practices Report, 1990 by Professional Management Associates, Rockville, MD.
4. U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation. WIC Vendor Issues Study, 1991 by Gardner L.B. et al., Aspen Systems Corporation, Silver Spring, MD.
5. U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition and Evaluation, WIC Vendor Management Study, 1998, Final Report, by Loren Bell et al. Project Officers, Patricia McKinney, Boyd Kowal. Alexandria, VA: 2001.
<http://www.fns.usda.gov/oane/MENU/Published/WIC/FILES/vendor.pdf>

SECTION K - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

K-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE
(FAR 52.252-1) (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:
<http://www.arnet.gov/far/>

<u>PROVISION NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.203-11	CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	APR 1991
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999

K-2 TAXPAYER IDENTIFICATION (FAR 52.204-3) (OCT 1998)

(a) Definitions.

"Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d),

reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) Taxpayer Identification Number (TIN).

TIN: _____.

TIN has been applied for.

TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of the Federal government;

(e) Type of organization.

Sole proprietorship;

Partnership;

Corporate entity (not tax-exempt);

Corporate entity (tax-exempt);

Government entity (Federal, State, or local);

Foreign government;

International organization per 26 CFR 1.6049-4;

Other _____;

(f) Common Parent.

Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

[] Name and TIN of common parent:

Name _____

TIN _____

K-3 WOMEN-OWNED BUSINESS (FAR 52.204-5) (MAY 1999)

(a) Definition. "Women-owned business concern," as used in this provision, means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

(b) Representation. [Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, Small Business Program Representation, of this solicitation.] The offeror represents that it ___ is, ___ is not a women-owned business concern.

K-4 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (FAR 52.209-5) (DEC 2001)

(a)(1) The offeror certifies, to the best of its knowledge and belief, that-

(i) The offeror and/or any of its Principals-

(A) Are _____ are not _____ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have _____ have not _____, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are _____ are not _____ presently indicted for, or otherwise criminally or civilly charged by a

governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The offeror has _____ has not _____, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

(b) The offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offerer learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the offeror's responsibility. Failure of the offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

(a) The offeror or respondent, in the performance of any contract resulting from this solicitation, _____ intends, _____ does not intend (check applicable block) to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of Performance
(Street Address, City,
County, State, Zip Code)

Name and Address of
Owner and Operator of the
Plant or Facility if Other
than Offeror or Respondent

K-6 SMALL BUSINESS PROGRAM REPRESENTATIONS

(FAR 52.219-1) (APR 2001)

(a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 541720.

(2) The small business size standard is \$ 6,000,000.

(3) The small business size standard for a concern which submits an 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 500 employees.

(b) *Representations.*

(1) The offeror represents as part of its offer that it [] is, [] is not a small business concern.

(2) [*Complete only if the offeror represented itself as a small business concern in paragraph (b) (1) of this provision.*] The offeror represents, for general statistical purposes, that it [] is, [] is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) [*Complete only if the offeror represented itself as a small business concern in paragraph (b) (1) of this provision.*] The offeror represents as part of its offer that it [] is, [] is not a women-owned small business concern.

(4) *[Complete only if the offeror represented itself as a small business concern in paragraph (b) (1) of this provision.]* The offeror represents as part of its offer that it [] is, [] is not a veteran-owned small business concern.

(5) *[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b) (4) of this provision.]* The offeror represents as part of its offer that it [] is, [] is not a service-disabled veteran-owned small business concern.

(6) *[Complete only if the offeror represented itself as a small business concern in paragraph (b) (1) of this provision.]* The offeror represents, as part of its offer, that-

(i) It [] is, [] is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

(ii) It [] is, [] is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b) (6) (i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. *[The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture:_____.]* Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision-

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern-

(i) 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

(ii) 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.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern-

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) 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 veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern-

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small

business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall-

(i) Be punished by imposition of fine, imprisonment, or both;

(ii) Be subject to administrative remedies, including suspension and debarment; and

(iii) Be ineligible for participation in programs conducted under the authority of the Act.

K-7 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS

(FAR 52.222-22) (FEB 1999)

The offeror represents that -

(a) It _____ has, _____ has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;

(b) It _____ has, _____ has not, filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

K-8 AFFIRMATIVE ACTION COMPLIANCE (FAR 52.222-25) (APR 1984)

The offeror represents that (a) it _____ has developed and has on file, _____ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) it _____ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

K-9 COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS

(FAR 52.222-70) (JAN 1999) (DEVIATION) (USDA)

By submission of its offer, the offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (*i.e.*, if it has any contract

containing Federal Acquisition Regulation clause 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans), it has submitted the most recent VETS-100 Report required by that clause.

K-10 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING
(FAR 52.223-13) (JUN 2003)

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) By signing this offer, the offeror certifies that—

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: (Check each block that is applicable.)

___ (I) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

___ (II) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);

___ (III) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

___ (IV) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in section 19.102 of the Federal Acquisition Regulation; or

___ (V) The facility is not located in United States, or its outlying areas..

K-11 ROYALTY INFORMATION (FAR 52.227-6) (APR 1984)

(a) Cost or charges for royalties. When the response to this solicitation contains costs or charges for royalties totaling more than \$250, the following information shall be included in the response relating to each separate item of royalty or license fee:

- (1) Name and address of licensor.
- (2) Date of license agreement.
- (3) Patent numbers, patent application serial numbers, or other basis on which the royalty is payable.
- (4) Brief description, including any part or model numbers of each contract item or component on which the royalty is payable.
- (5) Percentage or dollar rate of royalty per unit.
- (6) Unit price of contract item.
- (7) Number of units.
- (8) Total dollar amount of royalties.

(b) Copies of current licenses. In addition, if specifically requested by the Contracting Officer before execution of the contract, the offeror shall furnish a copy of the current license agreement and an identification of applicable claims of specific patents.

K-12 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION

(FAR 52.230-1) (JUN 2000)

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or

9903.201-2(c)(6), respectively.

I. DISCLOSURE STATEMENT - COST ACCOUNTING PRACTICES AND CERTIFICATION

(a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offerors proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

[](1) Certificate of Concurrent Submission of Disclosure Statement. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows:

(i) original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal Official), as applicable, and

(ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the looseleaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: _____
Name and Address of Cognizant ACO or Federal Official
Where Filed: _____

The offeror further certifies that practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

- [] (2) Certificate of Previously Submitted Disclosure Statement. The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____
Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

- [] (3) Certificate of Monetary Exemption. The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates, under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling more than \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

- [] (4) Certificate of Interim Exemption. The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$ 50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day

period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS - ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

[] The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or, if during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

___ Yes ___ No

K-13 DUPLICATION OF COST

The offeror represents and certifies that any changes contemplated and included in its estimate of cost for performance are not duplicative of any charges against any other Government contract, subcontract, or other Government source.

K-14 SMALL DISADVANTAGED BUSINESS STATUS

(FAR 52.219-22) (OCT 1999)

(a) General. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) Representations.

(1) General. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

[](i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is identified, on the date of this representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-NET); or

[](ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) For Joint Ventures. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in

paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____

(c) Penalties and Remedies. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall:

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

(3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

K-15 CERTIFICATION

I hereby certify that the responses to the above Representations, Certifications and other statements are accurate and complete.

Signature: _____

Title: _____

Date: _____

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

L-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE
(FAR 52.252-1)(FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:
<http://www.arnet.gov/far/>

<u>PROVISION NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
52.215-16	FACILITIES CAPITAL COST OF MONEY	JUNE 2003
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993

L-2 INSTRUCTIONS TO OFFERORS - COMPETITIVE ACQUISITION
ALTERNATE I (FAR 52.215-1)(MAY 2001)

(a) Definitions. As used in this provision -

Discussions are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

In writing or written means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

Proposal modification is a change made to a proposal before the solicitations closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

Proposal revision is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

Time, if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) Amendments to solicitations. If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) Submission, modification, revision, and withdrawal of proposals.

(1) Unless other methods (e.g., electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

(2) The first page of the proposal must show -

(i) The solicitation number;

(ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);

(iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;

(iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offerors behalf with the Government in connection with this solicitation; and

(v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agents authority, unless that evidence has been previously furnished to the issuing office.

(3) Submission, modification, revision, and withdrawal of proposals.

(i) Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal or revision is due.

(ii)(A) Any proposal, modification, or revision received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and-

(1) It was transmitted through an electronic commerce method authorized by the solicitation and was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers, and was under the Government control prior to the time set for receipts of offers; or

(3) It is the only proposal received.

(B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume

(v) Proposals may be withdrawn by written notice at any time before award. Oral proposals in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile at any time before award, subject to the provision at 52.215-5, Facsimile Proposals. Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

(4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.

(5) Proposals submitted in response to this solicitation in English unless otherwise permitted by the solicitation, and in U.S. dollars, unless the provision at FAR 52.225-17, Evaluation of Foreign Currency Offers, is included in the solicitation.

(6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) Offer expiration date. Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).

(e) Restriction on disclosure and use of data. Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall -

(1) Mark the title page with the following legend:

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed - in whole or in part-for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of-or in connection with-the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Governments right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheets); and

(2) Mark each sheet of data it wishes to restrict with the following legend:

Use of disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) Contract award.

(1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Governments interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract after conducting discussions with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offerors initial proposal should contain the offerors best terms from a price and technical standpoint.

(5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.

(6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Governments best interest to do so.

(7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(11) The Government may disclose the following information in postaward debriefings to other offerors:

(i) The overall evaluated cost or price and technical rating of the successful offeror;

(ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;

(iii) A summary of the rationale for award; and

(iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

L-3 CONTRACTOR IDENTIFICATION NUMBER-DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER (FAR 52.204-6)(APR JUN 1999)

(a) The offeror shall enter, **in the block with its name and address on the cover page of its offer, the annotation DUNS followed by the DUNS number that identifies the offeror's name**

and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet Information Services.

(b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. A DUNS number will be provided immediately by telephone at no charge to the offeror. For information on obtaining a DUNS number, the offeror, if located within the United States, should call Dun and Bradstreet at 1-800-333-0505.

- (1) Company name
- (2) Company address
- (3) Company telephone number
- (4) Line of business
- (5) Chief executive officer/key manager
- (6) Date the company was started
- (7) Number of people employed by the company
- (8) Company affiliation

(c) Offerors located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@mail.dnb.com.

L-4 AUTHORSHIP

The offeror shall include a statement indicating the names of authors and the percentage of authorship by the individuals involved in the preparation of the technical proposal, and the relationship of each author to the work to be performed under the contract.

L-5 PRE-AWARD SURVEY

Prior to award of a contract, the Government reserves the right to conduct a pre-award survey of any firm under consideration to confirm any part of the information furnished by the offeror, or to require other evidence of managerial, financial, technical and other capabilities, the positive establishment of which is determined by the Government to be necessary for the successful

performance of the contract.

L-6 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (ALTERNATE IV)
(FAR 52.215-20) (OCT 1997)

- (a) Submission of cost or pricing data is not required at this time, however, the Contracting Officer, Food and Nutrition Service, reserves the right to request Cost or Pricing Data at a later date if it is deemed necessary. If requested, the Cost or Pricing Data must be submitted in accordance with FAR Subpart 15.408.
- (b) See paragraph L-7 (c) for guidance on what cost information is required for submission under this RFP.

L-7 INSTRUCTIONS FOR THE PREPARATION OF TECHNICAL AND BUSINESS PROPOSALS (AGAR 452.215-71)(SEP 1999)

(a) General Instructions. Proposals submitted in response to this solicitation shall be furnished in the following format with the numbers of copies as specified below.

(1) The proposal must include a technical proposal and business proposal. Each of the parts shall be separate and complete so that evaluation of one may be accomplished independently from evaluation of the other. The technical proposal must not contain reference to cost; however, resource information (such as data concerning labor hours and categories, materials, subcontracts, etc.) must be contained in the technical proposal so that the contractor's understanding of the statement of work may be evaluated.

2) Offerors may, at their discretion, submit alternate proposals or proposals which deviate from the requirement; provided, that an offeror also submit a proposal for performance of the work as specified in the statement of work. Any "alternate" proposal may be considered if overall performance would be improved or not compromised, and if it is in the best interest of the Government. Alternate proposals, or deviations from any requirement of this RFP, must be clearly identified.

(3) The Government will evaluate proposals in accordance with the evaluation criteria set forth in Section M of this RFP.

(4) Offerors shall submit their proposal(s) in the following format and the quantities specified:

- (a) Standard Form 33 - one (1) original and six (6) copies

(b) Technical Proposal - one (1) original and six (6) copies

(c) Cost/Price Proposal - one (1) original and six (6) copies

In addition to the requirements above, the offeror is required to submit a complete copy of the technical and cost proposal on a 3-1/2" diskette noting the software and version on a label affixed to the diskette. Should the technical and/or cost proposals be modified during the negotiation process requiring resubmission of the proposal(s), a revised diskette is also required to be submitted noting on the label; file name, software/version and date revised. After award, all unsuccessful offerors will be afforded the opportunity to retrieve their proposal submissions, with the exception of the diskette, which will be kept on file.

Offeror's proposal shall be prepared using type no smaller than Courier font, size 10.

(b) **Technical Proposal Instructions.** The technical proposal will be used to make an evaluation and arrive at a determination as to whether the proposal will meet the requirements of the Government. Therefore, the technical proposal must present sufficient information to reflect a thorough understanding of the requirements and a detailed, description of the techniques, procedures and program for achieving the objectives of the specifications/statement of work. Proposals which merely paraphrase the requirements of the Government's specifications/statement of work, or use such phrases as "will comply" or "standard techniques will be employed" will be considered unacceptable and will not be considered further. As a minimum, the proposal must clearly provide the following:

(2) A detailed work plan must be submitted indicating how each aspect of the statement of work is to be accomplished. The technical approach should be in as much detail as the offeror considers necessary to fully explain the proposed technical approach or method. The technical proposal should reflect a clear understanding of the nature of the work being undertaken.

(3) The technical proposal must include information on how the project is to be organized, staffed, and managed. Information should be provided which will demonstrate the offeror's understanding and management of important events or tasks. The offeror must explain how the management and coordination of consultant and/or subcontractor efforts will be accomplished.

(4) The technical proposal must include a list of names and proposed duties of the professional personnel, consultants, and key subcontractor employees assigned to the project. Their resumes should be included and should contain information on

education, background, recent work experience, and specific scientific or technical accomplishments. The approximate percentage of time each individual will be available for this project must be included. The proposed staff hours for each of the above individuals should be allocated against each task or subtask for the project.

(5) The technical proposal must provide the general background, experience and qualifications of the organization. Similar or related contracts, subcontracts, and/or grants should be included and/or each contain the name of the customer, contract number, dollar amount, time of performance, and the names and telephone numbers of the project officer and contracting/grants officer.

(6) The technical proposal must contain a discussion of present or proposed facilities and equipment which will be used in the performance of the contract.

(c) **Business Proposal Instructions.** In addition to any other requirements for cost/pricing information required in clause FAR 52.215-20, Requirements for Cost or Pricing Data or Other Than Cost or Pricing Data, the following is required:

(1) The offeror may submit information other than cost or pricing data in the offeror's own format unless the contracting officer has requested the use of a specific format and the format is described in this solicitation.

(2) The offeror shall submit information necessary to support the prices proposed to permit the contracting officer and authorized representatives to determine price reasonableness for each of the following:

(A) Base contract period and

(B) Options specified in the proposed statement of work.

(3) Specific Requirements. The offeror must also submit the following detailed information to support the proposed budget:

(A) Breakdown of direct labor cost by named person or labor category including number of labor hours and current actual or average (in the case of secretaries, data entry clerks, etc.) hourly rates. Direct labor or levels of effort are to be identified as labor hours and not as a percentage of an individual's time. Indicate fringe benefit rate, if separate from the indirect cost rate.

(B) The amount proposed for travel, subsistence and local transportation supported with a breakdown which includes: number of trips anticipated, cost per trip per person, destination(s) proposed, number of person(s) scheduled for travel, mode of transportation, and mileage allowances if privately owned vehicles will be used.

(C) Cost breakdown of materials, equipment and other direct costs including duplication/reproduction, meetings and conferences, postage, communication and any other applicable items. Costs must be supported by specific methodology utilized.

(D) If an offeror proposes to employ the use of an Automatic Data Processing System (ADPS), detailed data concerning proposed costs should include the following:

(i) Make and model year of all equipment which will be used: keypunch, verifier, sorter, collator, tabulator, central processor unit (CPU), input-output components (I/O), etc.

(ii) Estimated number of hours and usage rates for each distinct piece of equipment proposed.

(iii) Listing of rates or quotes from prospective suppliers of the offeror.

(iv) Copies of invoices submitted by past suppliers of the offeror.

(v) Listing of rates developed and/or approved by a Government agency where offeror has in-house capability.

(4) If consultants are proposed, detailed data concerning proposed consultant costs should include the following:

(A) Names of consultant(s) to be engaged.

(B) Daily fees to be paid to each consultant.

(C) Estimated number of days of consulting services.

(D) Consulting agreements entered into between consultant(s) and the offeror, or invoices submitted by consultant(s) for similar services previously provided to the offeror.

(E) Rationale for acceptance of cost.

(F) Copies of invoices which show actual rates paid on other contracts.

(5) If proposed, cost information for each subcontractor shall be furnished in the same format and level of detail as prescribed for the prime offeror. Additionally, the offeror shall submit the following information:

- (A) A description of the items to be furnished by the subcontractor.
- (B) Identification of the proposed subcontractor and an explanation of why and who the proposed subcontractor was selected including the extent of competition obtained.
- (C) The proposed subcontract price, the offeror's cost or price analysis thereof, and performance/delivery schedule.
- (D) Identification of the type of subcontract to be used.

(6) Offeror shall briefly describe organization policies in the following areas (published policies may be furnished):

- (A) Salary increases to include:
 - (i) Merit.
 - (ii) Cost of living.
 - (iii) General.
- (B) Travel/subsistence
- (C) Consultant use and terms of agreements

(7) Offerors lacking Government approved indirect cost rates must provide detailed background data indicating the cost elements included in the applicable pool and a statement that such treatment is in accordance with the established accounting practice. Offerors with established rate agreements with Federal cognizant agencies shall submit one copy of such agreement.

(8) Offeror shall -

- (A) Furnish financial statements for the last two years, including an interim statement for the current year, unless previously provided to the office issuing the RFP, in which case a statement as to when and where this information was provided may be furnished instead.
- (B) Specify the financial capacity, working capital and other resources available to perform the contract without assistance from any outside source.
- (C) Provide the name, location, and intercompany pricing

policy for other divisions, subsidiaries, parent company, or affiliated companies that will perform work or furnish materials under this contract.

(D) Provide an estimated cash flow. Each offeror is required to submit a schedule of proposed monthly costs for the planned duration of the project.

L-8 SUBCONTRACTING PLAN

(a) In accordance with FAR 52.219-9, prime offerors not classified as a small business shall submit a proposed individual Small Business Subcontracting Plan. (See Clause L-9, Small Business Standard Classification Code).

(b) Whenever possible, the Government prefers the following minimum subcontracting goals:

Small Business - 10%
Small Disadvantaged Business - 5%
Women-Owned Business - 5%
HUBZONE Small Business - 3%
Service-Disabled Veteran - 3%
Veteran-Owned Small Business - 3%

(c) A subcontract may count toward more than one of the goals shown in paragraph b., if applicable (e.g., a small disadvantaged business owned by a woman may count toward each of the three goals).

L-9 SMALL BUSINESS NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

(a) For purpose of this contract, classification code 541720 and the following standard applies: "a concern is small if its average annual receipts for its preceding three (3) fiscal years do not exceed 6 million dollars"

(b) Subcontractors work need not be classified as NAICS 541720. It should be classified under what ever NAICS is appropriate for the work (see FAR 19.102). The size standard for that NAICS code can be used to determine if subcontracting goals are met.

L-10 TYPE OF CONTRACT (FAR 52.216-1)(APR 1984)

The Government contemplates award of a **COST PLUS FIXED FEE** type Contract with award incentive resulting from this solicitation.

L-11 SERVICE OF PROTEST (FAR 52.233-2)(AUG 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from Leonard Green, Contracting Officer, USDA, Food and Nutrition Service, Contract Management Branch, 3101 Park Center Drive, Rm 220 Alexandria, VA 22302.

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

L-12 INQUIRIES (AGAR 452.204-70)(FEB 1988)

Inquiries and all correspondence concerning this solicitation should be submitted in writing to the Contracting Officer. Offerors should contact only the contracting officer issuing the solicitation about any aspect of this requirement prior to contract award.

L-13 SPECIAL INSTRUCTIONS, CONDITIONS, AND NOTICES

These instructions and additional information are provided to assist potential offerors in preparation of their technical and business proposals.

Special instructions to offerors establish a basis for proposals and cost estimates. All proposals shall adhere to these instructions so that proposals from all offerors can be compared to one another.

1. Offerors shall present separate cost estimates for the base contract and the options. The estimates for the options shall be considered as in addition to and not replacing base contract estimates.
2. The tasks listed in the Performance Based Statement of Work are illustrative. Offerors are encouraged to develop approaches that may result in more efficient and comprehensive study execution.
3. Offerors shall include in their proposal a clear study plan, which describes the evaluation design, data collection procedures, and analytic methods to be applied to address study objectives. The plan shall include:
 - research questions and evaluation objectives;

- a definition of the important variables to be examined and how they relate to the research questions;
- sampling plans for the base study and options, methods and schedules for stratifying and identifying vendors, weighting the sample(s), recommended sample size(s), and justification for sample selection, including a discussion of the strengths and weaknesses;
- data collection methods (including procedures for liaising with FNS Regional offices and State WIC agencies); data collection schedules; security of interviewers and compliance buy cover; methods of addressing refusals, non-response, consent bias, and other difficulties; monitoring and quality control of data collection; and schedules for training data collectors; and
- data analysis plan(s).

The study analysis plan shall include:

- analytic methods with rationale;
 - outcome measures;
 - link between analytic techniques, study objectives, and research questions;
 - data verification and transformation;
 - formats of illustrations, presentations, and final report(s).
4. Offerors should provide detailed information in the Study Plan on proposed staffing and management procedures including the identification of key personnel; qualifications of key personnel; qualification standards for any unspecified staff; project level management procedures; and evidence of available corporate resources.
 5. For each task, the Study Plan should identify hours by individual staff. In addition, the expertise of key staff, and their assignments within and outside this contract should be provided.
 6. Offerors shall include a schedule of deliverables for study activities including task initiation, completion and product delivery dates.

7. Offerors should assume that that all meetings between the Contractor and Agency's staff and all briefings take place at FNS Headquarters in Alexandria, Virginia.
8. Offerors shall assume that the training shall take place at one central location in the Washington, D.C. area on sequential days.
9. Offerors shall assume that the Offeror is required to produce training manuals and materials.
10. FNS provides general guidelines for making compliance buys. However, compliance buy procedures may vary across States. Offerors should explain in their proposals how they plan to go about making compliance buys (see the *WIC Compliance Buy Handbook, 1985*).
11. The Offeror is responsible for working with State agencies to develop and manufacture appropriate food instruments for compliance buys. The Offeror is also responsible for the cost of the production, processing, and pulling of the designated food instruments. The Contractor will need to arrange with the State agencies for food instruments needed to make compliance buys. Offerors should describe how these instruments will be obtained, transacted and accounted for. In addition, offerors shall describe how food purchased during compliance buys will be accounted for.
12. Offerors shall assume that data collectors must go out in pairs during compliance buys for security reasons. Offerors may elect to subcontract data collection activities to an established compliance investigation contractor. Some State agencies have their own compliance investigators and may require that compliance buys in their States be conducted by their investigators.
13. Offerors shall not engage State or local WIC agency staff in making compliance buys.
14. A possibility may arise where Federal or State agencies may be investigating a vendor selected for the study. To avoid conflicts, FNS recommends that the Contractor should arrive at an agreement with the Federal or State agency about whether to include the respective vendor in the study sample. Offerors shall include in their proposals how they will deal with these situations.
15. There is some evidence that the vendor turnover rate may be high in some States. Offerors shall include methods of dealing with this problem in their proposals.
16. Some States have negotiated prices for WIC foods, which may be

lower than the posted shelf prices. Offerors shall describe how they will identify vendors subject to these negotiated prices and collect the appropriate data during the compliance buys from these vendors.

17. All food purchased shall be donated to charitable organizations. All infant formula purchased during compliance buys shall be turned over to the local WIC agencies for distribution.
18. Offerors shall assume precision and confidence limits of $\pm .03$ at the national level and $\pm .05$ at the subgroup level at 95 percent level of confidence.
19. The Offeror should submit a list of past work done for the Department of Agriculture, FNS, or other government entities, noting the audience of the deliverables, e.g., State agencies, FNS, Congress, the public etc. Offerors shall discuss their past performance in terms of producing acceptable products within budget and established time constraints. If problems existed on a previous contract, offerors should provide evidence that current management principles used will improve on past performance.
20. Offerors shall design the study to include an examination of vendor violations by the type of food instrument used.
21. In conducting compliance buys, data collectors shall take photographs of sites included in the sample where no store is found at the location.
22. Offerors shall identify the principal proposal writers by chapter and their role in the study.

L-14 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM-TARGETS
(FAR 52.219-24) (OCT 2000)

- (a) This solicitation contains a source selection factor or subfactor related to the participation of small disadvantaged business (SDB) concerns in the contract. Credit under that evaluation factor or subfactor is not available to an SDB concern that qualifies for a price evaluation adjustment under the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, unless the SDB concern specifically waives the price evaluation adjustment.
- (b) In order to receive credit under the source selection factor or subfactor, the offeror must provide, with its offer, targets, expressed as dollars and percentages of total contract value, for SDB participation in any of the North American

Industry Classification System (NAICS) Industry Subsectors as determined by the Department of Commerce. The targets may provide for participation by a prime contractor, joint venture partner, teaming arrangement member, or subcontractor; however, the targets for subcontractors must be listed separately.

L-15 AMENDMENTS TO PROPOSALS (AGAR 452.215-72) (FEB 1988)

Any changes to a proposal made by the offeror after its initial submittal shall be accomplished by replacement pages (unless otherwise notified). Changes from the original page shall be indicated on the outside margin by vertical lines adjacent to the change. The offeror shall include the date of the amendment on the lower right corner of the changed pages.

L-16 PAST PERFORMANCE AND SYSTEMIC IMPROVEMENT

An assessment will be made of the risk associated with the offeror's ability to perform on the proposed contract, i.e. to meet technical requirements, deliver quality products and meet cost and schedule demands.

Past performance information shall be provided regarding the Contractor's performance under other contracts, including government contracts. For all contracts listed the offeror shall provide the general contract information listed below. Past performance information shall take into consideration the Contractor's record of conforming to specifications and to standards of good quality; the Contractor's adherence to contract schedules, including the administrative aspects of performance; the Contractor's record of forecasting costs on previously performed projects; the Contractor's history for reasonable and cooperative behavior and commitment to customer satisfaction. If problems existed in previous contracts, the offeror shall provide evidence that current management principles or other actions taken will demonstrate clear and evident systemic improvement on past performance.

Offerors shall identify contracts, including all FNS studies, that are of a similar nature to this procurement and discuss their performance in terms of producing acceptable products within budget and established time constraints.

Specifically, past performance should be based on the contractor's most recent 5 years of business experience. A list of all contracts exceeding \$100,000 for similar services for the most recent 5 years of business experience shall be provided and include:

- (1) Name/Nature of contract

- (2) Contracting organization's name and address
- (3) Brief description of contract
- (4) Contract number
- (5) Dollar value of contract
- (6) Contract period of performance
- (7) Current name, phone and fax numbers of Contracting Officer
- (8) Current name, phone and fax numbers of Project Officer and/or Technical Representative

Newly Formed Entities

Newly established firms shall provide for consideration as much information as is available. Offerors that are newly formed entities without prior contracts may list the contracting or subcontracting experience of its key personnel. Offerors without prior contracts may also provide past performance references for companies or subsidiaries or divisions of companies that they have acquired in the past three years. Offerors providing such information must explain the extent to which the integrity of the acquired units has maintained since the acquisition (i.e. key personnel retained, key assets have not been sold or otherwise transferred, etc.). In the event that an offeror does not have a record of relevant past performance or if there is no information on past performance available, the offeror will receive a neutral rating (i.e. not favorable or unfavorable) on the past performance criterion.

NOTE: NOTWITHSTANDING THE DATE SPECIFIED FOR RECEIPT OF THIS RFP, PAST PERFORMANCE INFORMATION MUST BE SUBMITTED BY 3:00 PM LOCAL PREVAILING TIME AUGUST 1, 2003 TO:

a. Mailing address:

USDA, Food and Nutrition Service
Contract Management Branch, Room 228
Attn: Laura Hinshaw
3101 Park Center Drive
Alexandria, VA 22302-1500

b. Facsimile Number:

(703) 305-2071

c. e-mail address:

laura.hinshaw@fns.usda.gov

L-17 PRE-PROPOSAL CLARIFICATIONS

Offerors are advised that the terms of the solicitation and specifications may be clarified or amended in writing by the Contracting Officer.

All specific questions to be answered must be submitted in writing to the Contracting Officer and received by the Contracting Officer by a date to be determined. Questions can be mailed faxed or e-mailed to the following address, facsimile number or e-mail address.

a. Mailing address:

USDA, Food and Nutrition Service
Contract Management Branch, Room 228
Attn: Laura Hinshaw
3101 Park Center Drive
Alexandria, VA 22302-1500

b. Facsimile Number:

(703) 305-2071

c. e-mail address:

laura.hinshaw@fns.usda.gov

7. Prospective offerors who require additional information may contact Laura Hinshaw, Contract Specialist, at (703) 305-1532.

L-18 SUBMISSION OF ALTERNATE PROPOSALS

Offerors may submit alternate technical and business proposals for this procurement. However, any offeror submitting an alternate proposal must also submit a proposal which responds to the specific terms of the RFP. Any alternate proposal submitted must be clearly marked as an alternate proposal. Any alternate proposals may be considered if overall performance of the work would be improved or not compromised, and if it is in the best interest of the Government. Alternate proposals will be subject to the same instructions and criteria, set forth in Section L & M of the RFP, as any other proposals submitted.

Offerors submitting alternate proposals do so at their own risk. The Government shall determine whether or not to evaluate an alternate proposal. The Government reserves the right to make award based on an alternate proposal.

SECTION M - EVALUATION FACTORS FOR AWARD

**M-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE
(FAR 52.252-1) (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available.

<u>PROVISION NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
FAR 52.217-5	EVALUATION OF OPTIONS	FEB 1998

M-2 EVALUATION FOR AWARD

- A. The source selection process for this procurement will consider both technical merit and proposed prices, and award will be made to the offeror whose proposal represents the best value to the Government. Initial technical proposals will be evaluated by a technical evaluation panel (TEP) in accordance with the technical evaluation criteria set forth in M-2(2)below. Initial business proposals will be evaluated by the contracting officer and other appropriate personnel, as determined by the contracting officer. Communications or clarifications, which involve limited exchanges of information, may be conducted with offerors during this phase of the selection process. The contracting officer will consider both technical merit and proposed price and, if necessary, establish a competitive range comprised of the most highly rated proposals. **While it is anticipated a competitive range of offerors will be established for this acquisition, the Government reserves the right to make an award decision without conducting discussions, based on initial proposals submitted.**
- B. Discussions and negotiations may be conducted with offerors in the competitive range, as deemed necessary by the Government. In addition, further communications involving limited exchanges of information may be conducted with offerors during this phase of the source selection process.
- C. When negotiations are complete, offerors remaining in the competitive range will be afforded the opportunity to submit final proposal revisions. However, revised offers may not be requested or accepted if the Government makes an award decision based on initial proposals, without conducting discussions with offerors.

- D. Final revised proposals will be reviewed and evaluated by the TEP and the contracting officer. Technical merit will be evaluated by the TEP based on a review of the initial technical proposal, responses to clarifications, communications and negotiations, and final proposal revisions in accordance with the technical criteria in M-2 (2) below. The offerors' business proposals will be evaluated by the contracting officer and other appropriate personnel and the analyses will be based on information in the offerors' initial business proposal, responses to clarifications, communications and negotiations, and the final revised business proposal.

- E. Technical merit is significantly more important than cost or price in making an award decision. However, award will be made to the offeror whose proposal represents the best value to the Government, considering the combination of technical merit and cost. All technical evaluation factors, other than cost or price, when combined, are significantly more important than cost or price factors. As the technical merit among offers becomes more similar, cost and price become increasingly more important. When the technical merit among offers becomes essentially equal, cost or price alone may be the determining factor for award.

- F. The following technical evaluation criteria will be used to evaluate proposals and each criterion will be weighted as indicated below:

TECHNICAL EVALUATION SCORING

<u>Criterion</u>	<u>Maximum Score</u>
<p>1. <u>Understanding of the Purpose and Objectives of the study</u></p> <p>The proposal demonstrates a thorough understanding of the purpose, objectives, research questions, and impacts of the study, and a knowledge of the WIC Program and vendor management issues.</p>	10
<p>2. <u>Technical Approach</u></p> <p>The proposal demonstrates a clear knowledge of vendor management and the technical issues of the study, including compliance investigation, vendor violations, trafficking, high-risk vendor identification methods, collection of shelf price data from disparate vendors, collection of vendor management data from State agencies and Indian Tribal Organizations, and weighting of data to produce national estimates. In addition, the proposal</p>	35

shall clearly demonstrate the offeror’s technical ability to conduct the study, including a clear presentation of the research design, sampling methods, survey techniques, data analytic methods, report production, and dissemination of findings.

3. Capability and Experience of Staff 30

The proposal demonstrates relevant staff qualifications, experience, and commitment critical to the successful and timely completion of the study. Staff expertise in WIC vendor management issues, including vendor violations, trafficking, assessment of high-risk vendors, compliance buys, and the determination of financial loss due to vendor violations is particularly important to the successful completion of the study. Technical expertise of staff in disciplines critical to the study, including project management, descriptive and inferential statistics, data collection and analysis, and documentation of results is also an important requirement. Finally, the proposal demonstrates adequate management review and oversight to ensure timely and high quality performance of all work.

4. Past Performance 20

The offeror demonstrates ability to schedule and complete tasks and deliverables suitable for release to the general public, the scientific community, government officials, and academic audiences. The risk associated with the offeror’s ability to perform on the proposed project, i.e., to meet technical requirements, deliver high quality products, and meet cost and schedule requirements will be assessed. The degree of relationship between the study requirements and the offeror’s past performance on similar projects will be carefully considered.

5. Small Business/Disadvantaged Subcontractors 5

The proposal shows use of small business or disadvantage subcontractors in a substantive and meaningful role in the study.

TOTAL 100

