

# SUBPART 11.3 - ACCEPTABLE MATERIAL

(Revised December 16, 2016 through PROCLTR 2017-03)

Parent topic: PART 11 - DESCRIBING AGENCY NEEDS

## 11.302 Policy.

(b) Acceptable material includes unused former Government surplus property unless restricted by the ESA. Offers for used, reconditioned, or remanufactured supplies must be coordinated with the product specialist. When the product specialist coordinates with the ESA, the ESA evaluation cost shall be included as an evaluation factor.

## 11.390 Unused former Government surplus property.

(a) Solicitations shall include procurement note C04 unless there is a documented restriction for unused former Government surplus property material. The procurement note is automatically included in automated solicitations.

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C04 Unused Former Government Surplus Property (SEP 2021)

To be considered for award, the offeror must complete and submit the following representation with their offer. Additional supporting documentation to demonstrate the surplus material offered was previously owned by the Government and meets solicitation requirements must be provided within 24 hours of request by the contracting officer.

(1) The material is new, unused, and not of such age or so deteriorated as to impair its usefulness or safety. Yes  No

The material conforms to the technical requirements cited in the solicitation (e.g., Commercial and Government Entity (CAGE) Code and part number, specification, etc.). Yes  No

The material conforms to the revision letter/number, if any is cited. Yes  No  Unknown

If No, the revision does not affect form, fit, function, or interface. Yes  No  Unknown

The material was manufactured by:

(Name): \_\_\_\_\_

(Address): \_\_\_\_\_

(2) The offeror currently possesses the material Yes  No

If yes, the offeror purchased the material from a Government selling agency or other source.

Yes \_\_\_ No \_\_\_ If yes, provide the following:

Government Selling Agency: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Contract Date: (Month, Year): \_\_\_\_\_

Other Source: \_\_\_\_\_

Address: \_\_\_\_\_

Date Acquired: (Month/Year) \_\_\_\_\_

(3) The material has been altered or modified. Yes \_\_\_ No \_\_\_

If Yes, the offeror must provide the name of the company that performed the alteration or modification and attach or forward to the contracting officer a complete description of the alterations or modifications.

(4) The material has been reconditioned. Yes \_\_\_ No \_\_\_

If Yes, (i) the price offered includes the cost of reconditioning /refurbishment. Yes \_\_\_ No \_\_\_; and (ii) the offeror must provide information on the company that reconditioned the material with the certifications and attach or forward to the contracting officer a complete description of any work done or to be done, including the components to be replaced and the applicable rebuild standard.

The material contains cure-dated components. Yes \_\_\_ No \_\_\_

If Yes, (i) the price includes replacement of cure-dated components. Yes \_\_\_ No \_\_\_; and (ii) provide cure date to the contracting officer.

(5) The material has data plates attached. Yes \_\_\_ No \_\_\_

If Yes, the offeror must state below all information contained thereon, or forward a copy or facsimile of the data plate to the contracting officer.

\_\_\_\_\_

(6) The offered material is in its original package. Yes \_\_\_ No \_\_\_

If yes, the offeror has stated below all original markings and data cited on the package; or has attached or forwarded to the contracting officer a copy or facsimile of original package markings:

Contract Number \_\_\_\_\_

NSN \_\_\_\_\_

CAGE Code \_\_\_\_\_

Part Number \_\_\_\_\_

Other Markings/Data \_\_\_\_\_

(7) The offeror has supplied this same material (National Stock Number) to the Government before.

Yes  No

If Yes, (i) the material being offered is from the same original Government contract number as that provided previously. Yes  No ; and (ii) state below the Government Agency and contract number under which the material was previously provided:

Agency \_\_\_\_\_

Contract Number \_\_\_\_\_

(8) The material is manufactured in accordance with a specification or drawing. Yes  No

If Yes, (i) the specification/drawing is in the possession of the offeror. Yes  No ; and (ii) the offeror has stated the applicable information below, or forwarded a copy or facsimile to the contracting officer. Yes  No

Specification/Drawing Number \_\_\_\_\_

Revision (if any) \_\_\_\_\_

Date \_\_\_\_\_

(9) The material has been inspected for correct part number and for absence of corrosion or any obvious defects. Yes  No

If Yes, (i) material has been re-preserved. Yes  No ; (ii) material has been repackaged.

Yes  No ; (iii) percentage of material that has been inspected is \_\_\_\_%; and/or (iv) number of items inspected is \_\_\_\_\_; and (v) a written report was prepared. Yes  No ; and if Yes, the offeror has attached the written report or forwarded it to the contracting officer. Yes  No

The offeror agrees that in the event of award and notwithstanding the provisions of the solicitation, inspection and acceptance of the surplus material will be performed at source or destination subject to all applicable provisions for source or destination inspection.

The offeror has attached or forwarded to the contracting officer one of the following, to demonstrate that the material being offered was previously owned by the Government (offeror check which one applies):

For national or local sales, conducted by sealed bid, spot bid or auction methods, a solicitation/Invitation For Bid and corresponding DLA Disposition Services Form 1427, Notice of Award, Statement and Release Document.

For DLA Disposition Services Commercial Venture (CV) Sales, the shipment receipt/delivery pass document and invoices/receipts used by the original purchaser to resell the material.

When the above documents are not available, or if they do not identify the specific NSN being acquired, a copy or facsimile of all original package markings and data, including NSN, commercial and Government entity (CAGE) code and part number, and original contract number. (This information has already been provided in paragraph (c)(6) of this clause. Yes  No )

When none of the above are available, other information to demonstrate that the offered material was previously owned by the Government. Describe and/or attach.

This only applies to offers of Government surplus material. Offers of commercial surplus, manufacturer's overruns, residual inventory resulting from terminated Government contracts, and any other material that meets the technical requirements in the solicitation but was not previously owned by the Government will be evaluated in accordance with the DLAD procurement note L04, Offers for Part Numbered Items.

If requested by the contracting officer, the offeror shall furnish sample units, in the number specified, to the contracting officer or to another location specified by the contracting officer, within 10 days after the contracting officer's request. The samples will be furnished at no cost to the Government. All such samples not destroyed in evaluation will be returned at the offeror's expense. The samples will be evaluated for form, fit, and function with subassembly, assembly, or equipment with which the items are to be used. End items furnished under any contract award to the offeror furnishing the samples can include the returned samples, and all acceptable end items will have a configuration identical to the samples. If specific tests of the samples' performance are made by the Government, the offeror will be furnished the results of such tests prior to a contract being entered into. In addition to any other inspection examinations and tests required by the contract, the performance of the end items will be required to be as good as that of the samples submitted.

In the event of award, the contractor will be responsible for providing material that is in full compliance with all requirements in the contract or order. The surplus material to be furnished must meet the requirements of the current contract or order, whether or not the material met Government requirements in existence at the time the material was initially manufactured or sold to the Government. If higher-level contract quality requirements apply to the material being acquired, those requirements do not apply to surplus material furnished under this contract.

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(b)(1) All offers for unused former Government surplus property will be evaluated and a \$200 evaluation factor shall be applied. Solicitations shall include procurement note M05 unless there is a documented restriction for unused former Government surplus property. The procurement note is automatically included in automated solicitations.

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#### M05 Evaluation Factor for Unused Former Government Surplus Property (SEP 2016)

- (1) All offers for unused former Government surplus property shall have a \$200 evaluation factor.
- (2) All offers for CSI require evaluation by the ESA(s). An evaluation factor of \$600 shall be applied for coordination with each ESA.
- (3) If the contracting officer cannot determine acceptability and coordinates with the ESA(s) on other than CSI, an evaluation factor of \$600 shall be applied for each ESA.

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(2) The contracting officer shall evaluate offers for unused former Government surplus property. If additional information is required to make a determination of acceptability, the contracting officer shall allow the offeror 24 hours to submit the additional documentation. If the offeror fails to respond in a 24-hour period, the offer will be deemed unacceptable and evaluation will proceed to the next in line offer, unless it is the only offer. If the contracting officer requires technical assistance or the item is a CSI, they shall send a pre-award referral to the product specialist.

## 11.391 Part numbered items.

(a) Offers for part numbered items may be other than exactly stated in the PID due to a variety of reasons such as administrative changes, engineering changes, reverse engineering, obsolescence or manufacturing enhancements. Contracting officers shall coordinate with product specialists for the review of an offer other than exact product. The product specialist will update the Material Master in accordance with any change to part number. Solicitations and contracts shall include procurement note C01 when procuring part-numbered items.

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### C01 Superseded Part Numbered Items (SEP 2016)

If an item part number is superseded during the term of this contract, the contractor shall advise the contracting officer immediately upon determination. The notice shall include complete information on the superseding item form, fit, function, configuration, application, or physical nature. The contracting officer will determine whether the item is acceptable to the Government, advise the contractor within seven days, and modify the contract accordingly.

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(b) Solicitations shall include procurement notes L04 and M06 when items are identified in the item description only by the name of an approved source (CAGE code), a part number, and a brief description.

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### L04 Offers for Part Numbered Items (SEP 2016)

(a) For part numbered items, identified in the item description only by the name of an approved source (CAGE code), a part number, and a brief description.

Exact product –applies to contract line-item(s) (CLIN(s)): \_\_\_\_\_

CAGE code \_\_\_\_\_ part number \_\_\_\_\_

Alternate product - applies to CLIN(s):

CAGE code \_\_\_\_\_ part number \_\_\_\_\_

Superseding part number - applies to CLIN(s):

CAGE code \_\_\_\_\_ part number \_\_\_\_\_

Identify reason for superseding part number:

Administrative P/N change only: Yes \_\_\_ No \_\_\_

Minor change/No change in configuration: Yes \_\_\_ No \_\_\_

Previously-approved product - applies to CLIN(s): \_\_\_\_\_

Contract or Solicitation Number: \_\_\_\_\_

CAGE code \_\_\_\_\_ part number \_\_\_\_\_

Correction to CAGE/Part Number - applies to CLIN(s) \_\_\_\_\_

CAGE code in error/same corporation, different division Yes \_\_\_ No \_\_\_

CAGE code in error/sold to different corporation Yes \_\_\_ No \_\_\_

Part number not recognized Yes \_\_\_ No \_\_\_

Obsolete part number Yes \_\_\_ No \_\_\_

Other Yes \_\_\_ No \_\_\_

(b) Exact product means a product described by the name of an approved source and its corresponding part number cited in the item description; and manufactured by, or under the direction of, that approved source. An offeror of an exact product must meet one of the descriptions below.

(1) An approved source offering its part number cited in the item description;

(2) A dealer/distributor offering the product of an approved source and part number cited in the item description;

(3) A manufacturer who produces the offered item under the direction of an approved source; and has authorization from that approved source to manufacture the item, identify it as that approved source's name and part number, and sell the item directly to the Government.

(4) A dealer/distributor offering the product of a manufacturer that meets the description in subparagraph (3) above.

(c) Alternate product.

(1) The offeror must indicate that an alternate product is being offered if the offeror is any one of the following:

(i) An offeror who manufactures the item for an approved source cited in the item description, but does not have authorization from the approved source to identify it as the approved source part number, and sell the item directly to the Government;

(ii) A dealer/distributor offering the product of a manufacturer that meets the description in (i) above;

(iii) An offeror of a reverse-engineered product that is not cited in the item description; or

(iv) An offeror whose product does not meet the criteria of exact product, superseding product or previously approved product.

(2) An offer of an alternate product is an alternate offer.

(d) The offeror must indicate that a superseding part number is being offered if the offered item otherwise qualifies as an exact product, except that the part number cited in the item description has been superseded due to an administrative part number change with no change in configuration of the item.

(e) The offeror must indicate that a previously-approved product is being offered if the product offered has previously been delivered to the Government or otherwise previously evaluated and approved.

(f) Correction to CAGE/Part Number Cited in the Item Description

Submitted by offeror to notify the Government if there is a CAGE code error: same corporation/different division; sold to different corporation; part number not recognized; obsolete part number; other.

(g) Traceability documentation.

(1) The contracting officer may request evidence of the technical acceptability of the product offered. The evidence must be submitted within 2 days, or as otherwise specified, or the offer will not be considered.

(2) For offers of exact product, offerors other than the approved manufacturing source must retain evidence and provide the traceability evidence of the identity of the item and its manufacturing source when requested by the contracting officer.

(i) If offered item(s) are not in stock or not yet manufactured a copy of an original quotation from the approved source to the offeror identifying exact item cited in item description and a quantity sufficient to satisfy the solicitation requirement.

(ii) If offered item(s) are shipped or in stock, a copy of invoice on approved source's letterhead; or a copy of packing slip which accompanied shipment from approved source to offeror. The invoices and packing slips must identify exact item cited in item description and a quantity sufficient to satisfy the solicitation requirement.

(iii) If the offeror is an authorized dealer/distributor, or manufactures the item for an approved source, a copy of the contractual agreement with, or the express written authority of, the approved source to buy, stock, repackage, sell, or distribute the part. The agreement must specifically identify the exact item, or otherwise ensure that the offeror is authorized by the approved source to manufacture or distribute the exact item being acquired. If the agreement covers a general product line or is otherwise not product-specific, the offeror must furnish additional documentation to address the exact item being acquired.

(iv) Other verifiable information.

(3) For superseding part number, the offeror may be requested to furnish evidence to establish that there are no changes in the configuration of the part.

(4) For previously approved products, upon request of the contracting officer, the offeror must furnish the contract, solicitation, source approval request (SAR) package, or letter of approval under which the product was previously furnished or approved.

(h) Alternate offer data.

(1) The contracting officer may request drawings, specifications, or other data necessary to clearly describe the characteristics and features of an alternate offer. Data submitted shall cover design, materials, performance, function, interchangeability, inspection or testing criteria, and other characteristics of the offered product. The contracting officer may also request drawings and other data covering the design, materials, etc., of the exact product cited in the item description if the

Agency does not possess data sufficient to evaluate the alternate product. The data must be submitted within 10 days, or as otherwise specified, or the offer will not be considered.

(2) If the alternate product is a reverse-engineered product, the offeror shall provide: technical documentation to establish that the offered item represents the exact item specified in the item description (i.e., invoice from an approved source or submission of samples having markings of an approved source); number of samples that were examined; the process/logic used; raw data (measurements, lab reports, test results) used to prepare drawings or specifications for the offered item; any additional evidence that indicates the reverse-engineered item will function properly in the end item; and any evidence that life cycle/reliability considerations have been analyzed.

(j) Evaluation of Alternate Offers.

If the solicitation does not provide for evaluation of alternate offers for the current procurement, the offeror may submit a request for evaluation of the alternate product's technical acceptability for future procurements of the same item. The request for evaluation shall cite the national stock number (NSN) of the exact product and include the applicable level of technical data. The level of technical data that the Government has available for use to evaluate the acceptability of an alternate product offered, and the corresponding level of technical data that must be furnished with an offer of alternate product, will be identified in the item description and/or via correspondence with the appropriate location below.

(1) For solicitation numbers beginning with SPE7:

DLA Land and Maritime

Directorate of Procurement

Alternate Offer Monitor, BPP

Post Office (P.O.) Box 3990

Columbus, Ohio 43218-3990

(2) For solicitation numbers beginning with SPE4:

DLA Aviation

Office of the Competition Advocate

Attention: BPC

8000 Jefferson Davis Highway

Richmond, Virginia 23297-5100

(3) For solicitation numbers beginning with SPE1, SPE2, SPE3, SPE5, or SPE8:

DLA Troop Support

Attention: (see note below)

700 Robbins Avenue



Philadelphia, Pennsylvania 19111-5096

Note: The address (attention line) will change based on the 4th digit of the PIIN as follows:

SPE1 = Clothing and Textile (C&T)

SPE2 = Medical

SPE3 = Subsistence

SPE5 = Industrial Hardware (formerly Aviation or L&M detachments)

SPE8 = Construction and Equipment (C&E)

(4) For solicitation numbers beginning with SPRRA1 and SPRRA2:

Defense Logistics Agency - DLA Aviation

Office of the Competition Advocate

Building 5201

Redstone Arsenal, Alabama 35898

(5) For solicitation numbers beginning with SPRPA1:

DLA Philadelphia

Competition Advocate Office

700 Robbins Avenue Building 1

Philadelphia, Pennsylvania 19111-5098

(6) For Tank-Automotive and Armaments Command (TACOM) Depot Level Repairable (DLR) - DLA Land and Maritime solicitations beginning with SPRDL1:

Defense Logistics Agency

DLR Procurement Operations - ZG

6501 East Eleven Mile Road

Warren, Michigan 48397-5000

(7) For Communications-Electronics Command (CECOM) DLR-DLA Land and Maritime solicitations beginning with SPRBL1:

Defense Logistics Agency

DLR Procurement Operations - ZL

6001 Combat Dr., Rm. C1-301

Aberdeen Proving Ground, MD 21005-1846

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## M06 Evaluation of Offers of Alternate Product for Part Numbered Items (SEP 2016)

Offers of alternate product will not be evaluated for the contract action if:

- (1) The solicitation is automated;
- (2) It does not meet the dollar threshold for savings, after an evaluation factor of \$600 is applied for coordination with each ESA; or
- (3) When the time proposed for award does not permit evaluation, and delay of award would adversely affect the Government.

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## **11.392 Traceability documentation.**

It is critically important for contracting officers to be able to confirm a documentation trail from the supplier to the approved manufacturer. Contractors are required to make available and retain traceability documentation (see [4.703](#)). Contracting officers shall request unredacted traceability documentation when there are potential indicators of risk such as:

Preaward traceability:

- (i) The supplier has no past DLA history;
- (ii) The price offered is lower than price of approved source or its authorized distributor;
- (iii) The price offered is out of line with other quotes or past pricing history;
- (iv) The price offered for new product is lower than price offered for surplus material;
- (v) The manufacturer's Contractor and Government Entity (CAGE) code identified in offer differs from CAGE code of approved manufacturing source in solicitation;
- (vi) The offeror/contractor is reluctant or unable to provide traceability documentation;
- (vii) The offeror's/contractor's phone number, address, email, or other vital information is missing, invalid, or suspicious;
- (viii) The contractor invoices without delivering the supplies;
- (ix) Contractor is on the DCRL for traceability concerns.

Examples of acceptable preaward traceability documentation are found at the [Counterfeit Detection and Avoidance Program \(CDAP\) website](#) (<http://www.dla.mil/LandandMaritime/Business/Selling/Counterfeit-Detection-Avoidance-Program/>).

Postaward traceability.

- (i) If preaward traceability was required or when other circumstances are warranted;

(ii) Independent distributors and brokers that do not keep inventory and procure the offered product after contract award. The postaward documentation demonstrates the complete line of ownership before the product is shipped.

(iii) Protest is received questioning awardee's ability or intention to supply exact product. The contracting officer shall immediately request traceability documentation.

(iv) The contractor requests a modification changing the part number or other information related to its exact product representation.

(v) The contractor is on the DCRL for traceability concerns.

If the awardee does not have full traceability information, the contracting officer shall contact the product specialist to recommend that product verification testing be invoked using procurement note E05 (see 46.292).

The contracting officer determines the acceptability of traceability documentation and may request additional documentation necessary to support acceptability. When reviewing traceability documentation, special attention should be given to:

(i) The letterhead is correct and/or unaltered;

(ii) Signatures are legible and provided by authorized personnel;

(iii) There is no evidence of alteration, such as cutting and pasting/white out/scanning;

(iv) There are no missing documents;

(v) Dates are current;

(vi) Phone numbers are accurate;

(vii) Font styles are consistent;

(viii) There are no handwritten annotations on a typed document;

(ix) Line items reflect correct part numbers and quantities;

(x) Documents do not appear to have been reproduced repeatedly;

(xi) Documents do not have shaded areas, which may indicate information was covered up and the document recopied;

(xii) Correct division of manufacturing source is cited; or

(xiii) There are no disclaimers in the document (e.g., stating parts cannot be traced to the actual manufacturer or to any specific revision of the part, etc.).

If the offeror fails to provide sufficient information preaward within the time frame requested, the contracting officer shall consider the offer technically unacceptable and proceed to the next acceptable offer.

If the contractor fails to provide sufficient information postaward within the time frame requested, the award may be cancelled. If it is not in the Government's best interest to cancel the award, the

contracting officer may contact the product specialist to recommend that product verification testing be invoked using procurement note E05 (see 46.292).

The contracting officer shall reject redacted traceability documentation and notify the offeror or contractor. In all cases, any traceability documentation provided by offerors or contractors shall be treated as proprietary information and stamped accordingly.