

**GIPSA Livestock and Meat Marketing Study  
Solicitation APHIS-04-006**

As amended through  
February 4, 2004

This document reflects all changes made to the solicitation document through February 4, 2004, as a result of Amendment One, dated December 10, 2003, Amendment Two, dated December 22, 2003, Amendment Three, dated January 16, 2004, and Amendment Four, dated February 4, 2004.

Standard Forms and other cover pages for the initial RFP and subsequent amendments have not been included in this consolidated document, and changes made by amendments have been incorporated into the document in the appropriate locations. Formatting and page numbers have not been adjusted to reflect insertions and deletions. As a result, page numbers shown on individual pages and in the Table of Contents may not be accurate.

Individual amendments are not shown separately in this document. Copies of the individual amendments are available at

[http://www.usda.gov/gipsa/psp/issues/livemarketstudy/livestock\\_marketing\\_study.htm](http://www.usda.gov/gipsa/psp/issues/livemarketstudy/livestock_marketing_study.htm)

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**PART I - THE SCHEDULE**

**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

B.1 Background. The Government requires the items listed below for each species of livestock included in Offeror’s proposal (see Attachment A for a complete description of each item.) If Offeror proposes to study more than one species, Offeror shall provide a separate schedule for each species included in Offeror’s proposal.

Deliverables listed below are mandatory. Offeror may propose additional milestone deliverables for interim payments. However, the Government may not accept the additional milestone. The due dates listed below are the Government’s known delivery dates.

B.2 Schedule of Items for \_\_\_\_\_ (Indicate cattle and beef; hogs and pork; or lambs and lamb meat. Provide a separate schedule for each species if more than one species included in the proposal).

<u>Item No.</u>	<u>Description</u>	<u>Qty.</u>	<u>Unit Price (Job)</u>	<u>Total Price</u>	<u>Date Due</u>
1. Deliverables					
a.	Draft report, Part A: Identify and classify alternative arrangements	1	\$_____	\$_____	Nov 2004
b.	Final report, Part A	1	\$_____	\$_____	Feb 2005
c.	Draft report, Part B: Terms, availability, reasons for use	1	\$_____	\$_____	Nov 2004
d.	Final report, Part B	1	\$_____	\$_____	Feb 2005
e.	Draft report, Part C: Extent of use, price differences, short-run price effects	1	\$_____	\$_____	Nov 2005
f.	Final report, Part C	1	\$_____	\$_____	Feb 2006
g.	Draft report, Part D: Costs and benefits of arrangements	1	\$_____	\$_____	Nov 2005
h.	Final report, Part D	1	\$_____	\$_____	Feb 2006
i.	Draft report, Part E: Summary and implications	1	\$_____	\$_____	Dec 2005
j.	Final report, Part E: Summary and implications	1	\$_____	\$_____	Mar 2006

2. Monthly and Quarterly Reports

See Deliverable 11.1 of Attachment A Performance Standards for due dates.

3. Data Collection Plan

See Deliverable 11.2 Attachment A, Performance Standards.

**SECTION C: PERFORMANCE WORK STATEMENT**

The Performance Work Statement is provided in Attachment A to this Request for Proposal.

**SECTION D - PACKAGING AND MARKING**

THERE ARE NO CLAUSES INCLUDED IN THIS SECTION

SECTION E - INSPECTION AND ACCEPTANCE

E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (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/these address(es):

www.arnet.gov/far

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.246-4	INSPECTION OF SERVICES - FIXED-PRICE	AUG 1996

E.2 AGAR 452.246-70 INSPECTION AND ACCEPTANCE (FEB 1988)

(a) The Contracting Officer or the Contracting Officer's duly authorized representative will inspect and accept the supplies and/or services to be provided under this contract.

(b) Inspection and acceptance will be performed at:

USDA, GIPSA, ESS  
1400 Independence Ave.,  
SW, Rm. 1642  
Washington, DC 20250

**SECTION F - DELIVERIES OR PERFORMANCE**

**F.1 AGAR 452.211-75 EFFECTIVE PERIOD OF THE CONTRACT  
(FEB 1988)**

The effective period of this contract is from date of award through 24 months.

**F.2 PROGRESS REPORTING**

Progress reports in accordance with Attachment A-Performance Work Statement.

**SECTION G - CONTRACT ADMINISTRATION DATA**

THERE ARE NO CLAUSES IN THIS SECTION.

**SECTION H - SPECIAL CONTRACT REQUIREMENTS****H.1 AGAR 452.215-73 POST AWARD CONFERENCE (NOV 1996)**

A post award conference with the successful offeror is required. It will be scheduled within days after the date of contract award. The conference will be held at: To be Determined.

**H.2 AGAR 452.224-70 CONFIDENTIALITY OF INFORMATION**

**(FEB 1988) Also see Performance Work Statement (PWS) Section 4.9 for additional instructions.**

- (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 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

**H.2 (Continued)**

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.

**H.3 AGAR 452.237-74 KEY PERSONNEL (FEB 1988)**

- (a) The Contractor shall assign to this contract the following key personnel:
  - Project Manager
  - Senior Researchers
  - Professional Staff Members
- (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 of any of these events and provide the information required by paragraph (c) below. After the initial 90-day period, the Contractor shall submit the information required by paragraph (c) to the Contracting Officer at least 15 days prior to making any permanent substitutions.
- (c) The Contractor shall provide a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to those of the persons being replaced. The Contracting Officer will notify the Contractor within 15 calendar days after receipt of all required information of the decision on substitutions. The contract will be modified to reflect any approved changes of key personnel.

**H.4 AGAR 452.237-75 RESTRICTIONS AGAINST DISCLOSURE (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

**H.4 (Continued)**

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.

**PART II - CONTRACT CLAUSES****SECTION I - CONTRACT CLAUSES****I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (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/these address(es):

[www.arnet.gov/far](http://www.arnet.gov/far)

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES**

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	DEC 2001
52.203-3	GRATUITIES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52.203-8	Alternate I (OCT 1995) CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR 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	PRINTED/COPIED 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
52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT 1997
52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT 1997
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS	DEC 1998
52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	OCT 1997

## I.1 (Continued)

NUMBER	TITLE	DATE
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	OCT 1997
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT 2000
52.222-3	CONVICT LABOR	JUN 2003
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	APR 2002
52.222-35	AFFIRMATIVE ACTION 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
52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED	MAY 1989
52.222-43	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT--PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)	MAY 1989
52.223-6	DRUG-FREE WORKPLACE	MAY 2001
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUN 2003
52.227-1	AUTHORIZATION AND CONSENT	JUL 1995
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996
52.227-3	PATENT INDEMNITY	APR 1984
52.227-14	RIGHTS IN DATA- GENERAL	JUN 1987
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003
52.232-17	INTEREST	JUN 1996
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	FEB 2002
52.233-1	DISPUTES	JUL 2002
52.233-3	PROTEST AFTER AWARD	AUG 1996
52.242-13	BANKRUPTCY	JUL 1995
52.243-1	CHANGES - FIXED-PRICE Alternate I (APR 1984)	AUG 1987
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	SEP 1996
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

**I.2 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (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 Administrative Contracting Officer (ACO) within 30 days.
  - (2) The Contractor shall also notify the ACO 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 ACO 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 Contractor's 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 52.219-4 NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (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

## I.3 Continued.

- (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.
- [\_\_] 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.

**I.4 52.219-23 NOTICE OF PRICE EVALUATION ADJUSTMENT FOR  
SMALL DISADVANTAGED BUSINESS CONCERNS (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 part 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 percent to the price of all offers, except--

## I.4 Continued.

- (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) An otherwise successful offer where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government;
  - (iv) For DoD, NASA, and Coast Guard acquisitions, an otherwise successful offer from a historically black college or university or minority institution; and
  - (v) For DoD acquisitions, an otherwise successful offer 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 a group of line 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

## I.4 Continued.

(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 shall furnish in performing this contract only end items manufactured or produced by small disadvantaged business concerns in the United States or its outlying areas. This paragraph does not apply to construction or service contracts.

**I.5 52.232-34 PAYMENT BY ELECTRONIC FUNDS TRANSFER--  
OTHER THAN CENTRAL CONTRACTOR REGISTRATION (MAY 1999)**

(a) Method of payment.

(1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT) except as provided in paragraph (a)(2) of this clause. As used in this clause, the term "EFT" refers to the funds transfer and may also include the payment information transfer.

(2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either--

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the Government to extend payment due dates until such time as the Government makes payment by EFT (but see paragraph (d) of this clause).

(b) Mandatory submission of Contractor's EFT information.

(1) The Contractor is required to provide the Government with the information required to make payment by EFT (see paragraph (j) of this clause). The Contractor shall provide this information directly to the office designated in this contract to receive that information (hereafter: "designated office") no later than 15 days prior to submission of the first request for payment. If not otherwise specified in this contract, the payment office is the designated office for receipt of the Contractor's EFT information. If more than one designated office is named for the contract, the Contractor shall provide a separate notice to each office. In the event responsible for providing the updated information to the designated office(s).

(2) If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to the designated office. However, EFT information supplied to a designated office shall be applicable only to contracts that identify that designated office as the office to receive EFT information for that contract.

(c) Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated

## I.5 Continued.

Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

- (d) Suspension of payment. (1) The Government is not required to make any payment under this contract until after receipt, by the designated office, of the correct EFT payment information from the Contractor. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.
- (2) If the EFT information changes after submission of correct EFT information, the Government shall begin using the changed EFT information no later than 30 days after its receipt by the designated office to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the updated EFT information is implemented by the payment office. If such suspension would result in a late payment under the prompt payment terms of this contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.
- (e) Liability for uncompleted or erroneous transfers. (1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--
- (i) Making a correct payment;
  - (ii) Paying any prompt payment penalty due; and
  - (iii) Recovering any erroneously directed funds.
- (2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--
- (i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or
  - (ii) If the funds remain under the control of the payment office, the Government shall not make payment and the provisions of paragraph (d) shall apply.
- (f) EFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

## I.5 Continued.

- (g) EFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall provide the EFT information required by paragraph (j) of this clause to the designated office, and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.
- (h) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information provided by the Contractor's financial agent.
- (i) Payment information. The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address in the contract.
- (j) EFT information. The Contractor shall provide the following information to the designated office. The Contractor may supply this data for this or multiple contracts (see paragraph (b) of this clause). The Contractor shall designate a single financial agent per contract capable of receiving and processing the EFT information using the EFT methods described in paragraph (c) of this clause.
- (1) The contract number (or other procurement identification number).
  - (2) The Contractor's name and remittance address, as stated in the contract(s).
  - (3) The signature (manual or electronic, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.
  - (4) The name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.
  - (5) The Contractor's account number and the type of account (checking, saving, or lockbox).
  - (6) If applicable, the Fedwire Transfer System telegraphic abbreviation of the Contractor's financial agent.

**I.5 Continued.**

- (7) If applicable, the Contractor shall also provide the name, address, telegraphic abbreviation, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment if the Contractor's financial agent is not directly on-line to the Fedwire Transfer System; and, therefore, not the receiver of the wire transfer payment.

**1.6. 52.219-9 -- Small Business Subcontracting Plan.**

(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 offeror, upon request by the Contracting Officer, shall submit and negotiate a subcontracting plan, where applicable, that separately addresses subcontracting with small business concerns, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business concerns, small disadvantaged business, and with women-owned small business concerns. If the offeror 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 negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate the subcontracting plan shall make the offeror ineligible for 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

**I.6 Continued.**

(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.

**I.6 Continued.**

(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 plan similar to the 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 the 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 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 --

**I.6 Continued.**

- (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 organizaions.

## (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.

**I.6 Continued.**

(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 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

**I.6 Continued/**

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.

(End of Clause)

**I.7 52.217-2 -- Cancellation Under Multi-Year Contracts.**

(a) "Cancellation," as used in this clause, means that the Government is canceling its requirements for all supplies or services in program years subsequent to that in which notice of cancellation is provided. Cancellation shall occur by the date or within the time period specified in the Schedule, unless a later date is agreed to, if the Contracting Officer --

(1) Notifies the Contractor that funds are not available for contract performance for any subsequent program year; or

(2) Fails to notify the Contractor that funds are available for performance of the succeeding program year requirement.

(b) Except for cancellation under this clause or termination under the Default clause, any reduction by the Contracting Officer in the requirements of this contract shall be considered a termination under the Termination for Convenience of the Government clause.

(c) If cancellation under this clause occurs, the Contractor will be paid a cancellation charge not over the cancellation ceiling specified in the Schedule as applicable at the time of cancellation.

(d) The cancellation charge will cover only --

(1) Costs --

(i) Incurred by the Contractor and/or subcontractor;

(ii) Reasonably necessary for performance of the contract; and

(iii) That would have been equitably amortized over the entire multi-year contract period but, because of the cancellation, are not so amortized; and

(2) A reasonable profit or fee on the costs.

(e) The cancellation charge shall be computed and the claim made for it as if the claim were being made under the Termination for Convenience of the Government clause of this contract. The Contractor shall submit the claim promptly but no later than 1 year from the date --

(1) Of notification of the nonavailability of funds; or

**I.7 Continued.**

(2) Specified in the Schedule by which notification of the availability of additional funds for the next succeeding program year is required to be issued, whichever is earlier, unless extensions in writing are granted by the Contracting Officer.

(f) The Contractor's claim may include --

(1) Reasonable nonrecurring costs (see Subpart 15.4 of the Federal Acquisition Regulation) which are applicable to and normally would have been amortized in all supplies or services which are multi-year requirements;

(2) Allocable portions of the costs of facilities acquired or established for the conduct of the work, to the extent that it is impracticable for the Contractor to use the facilities in its commercial work, and if the costs are not charged to the contract through overhead or otherwise depreciated;

(3) Costs incurred for the assembly, training, and transportation to and from the job site of a specialized work force; and

(4) Costs not amortized solely because the cancellation had precluded anticipated benefits of Contractor or subcontractor learning.

(g) The claim shall not include --

(1) Labor, material, or other expenses incurred by the Contractor or subcontractors for performance of the canceled work;

(2) Any cost already paid to the Contractor;

(3) Anticipated profit or unearned fee on the canceled work; or

(4) For service contracts, the remaining useful commercial life of facilities. "Useful commercial life" means the commercial utility of the facilities rather than their physical life with due consideration given to such factors as location of facilities, their specialized nature, and obsolescence.

(h) This contract may include an Option clause with the period for exercising the option limited to the date in the contract for notification that funds are available for the next succeeding program year. If so, the Contractor agrees not to include in option quantities any costs of a startup or nonrecurring nature that have been fully set forth in the contract. The Contractor further agrees that the option quantities will reflect only those recurring costs and a reasonable profit or fee necessary to furnish the additional option quantities.

(i) Quantities added to the original contract through the Option clause of this contract shall be included in the quantity canceled for the purpose of computing allowable cancellation charges.

(End of Clause)

**PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS**

**SECTION J - LIST OF ATTACHMENTS**

ATTACHMENT A: PERFORMANCE WORK STATEMENT

**PART IV - REPRESENTATIONS AND INSTRUCTIONS****SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND  
OTHER STATEMENTS OF OFFERORS****K.1 OFFEROR REPRESENTATIONS AND CERTIFICATIONS--**

(a) Definitions. As used in this provision:

"Emerging small business" means a small business concern whose size is no greater than 50 percent of the numerical size standard for the NAICS code designated.

"Forced or indentured child labor" means all work or service--

- (1) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or
- (2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

"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).

"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 size standards in this solicitation.

"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.

K.1 Continued.

"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.

"Women-owned business concern" 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) Taxpayer Identification Number (TIN) (26 U.S.C. 6109, 31 U.S.C. 7701). (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

- (1) All offerors must submit the information required in paragraphs (b) (3) through (b) (5) 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 Internal Revenue Service (IRS).
- (2) 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.

- (3) 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.

- (4) Type of organization.

Sole proprietorship;

K.1 Continued.

- 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 \_\_\_\_\_.

(5) Common parent.

- Offeror is not owned or controlled by a common parent;
- Name and TIN of common parent:

Name \_\_\_\_\_

TIN \_\_\_\_\_

(c) Offerors must complete the following representations when the resulting contract will be performed in the United States or its outlying areas. Check all that apply.

- (1) Small business concern. The offeror represents as part of its offer that it  is,  is not a small business concern.
- (2) Veteran-owned small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents as part of its offer that it  is,  is not a veteran-owned small business concern.
- (3) Service-disabled veteran-owned small business concern. [Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.] The offeror represents as part of its offer that it  is,  is not a service-disabled veteran-owned small business concern.
- (4) Small disadvantaged business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(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.
- (5) Women-owned small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it  is,  is not a women-owned small business concern.

Note: Complete paragraphs (c)(6) and (c)(7) only if this solicitation is expected to exceed the simplified acquisition threshold.

K.1 Continued.

- (6) Women-owned business concern (other than small business concern). [Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c) (1) of this provision.] The offeror represents that it  is a women-owned business concern.
  
- (7) Tie bid priority for labor surplus area concerns. If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price:

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- (8) Small Business Size for the Small Business Competitiveness Demonstration Program and for the Targeted Industry Categories under the Small Business Competitiveness Demonstration Program. [Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.]

- (i) [Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry groups (DIGs).] The offeror represents as part of its offer that it  is,  is not an emerging small business.

- (ii) [Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs).] Offeror represents as follows:

- (A) Offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees); or
- (B) Offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts).

(Check one of the following):

Number of Employees	Average Annual Gross Revenues
<input type="checkbox"/> 50 or fewer	<input type="checkbox"/> \$1 million or less
<input type="checkbox"/> 51-100	<input type="checkbox"/> \$1,000,001-\$2 million
<input type="checkbox"/> 101-250	<input type="checkbox"/> \$2,000,001-\$3.5 million
<input type="checkbox"/> 251-500	<input type="checkbox"/> \$3,500,001-\$5 million
<input type="checkbox"/> 501-750	<input type="checkbox"/> \$5,000,001-\$10 million
<input type="checkbox"/> 751-1,000	<input type="checkbox"/> \$10,000,001-\$17 million
<input type="checkbox"/> Over 1,000	<input type="checkbox"/> Over \$17 million

## K.1 Continued.

- (9) [Complete only if the solicitation contains the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.]
- (i) General. The offeror represents that either--
- (A) It  is,  is not certified by the Small Business Administration as a small disadvantaged business concern and 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), and that no material change in disadvantaged ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, 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); or
- (B) It  has,  has not 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.
- (ii)  Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(9)(i) 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:\_\_\_\_\_.]
- (10) HUBZone small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(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

## K.1 Continued.

- (ii) It [ ] is, [ ] is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (c)(10)(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.
- (d) Representations required to implement provisions of Executive Order 11246--
- (1) Previous contracts and compliance. The offeror represents that--
- (i) It [ ] has, [ ] has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation; and
- (ii) It [ ] has, [ ] has not filed all required compliance reports.
- (2) Affirmative Action Compliance. The offeror represents that--
- (i) It [ ] has developed and has on file, [ ] has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR parts 60-1 and 60-2), or
- (ii) It [ ] has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.
- (e) Certification Regarding Payments to Influence Federal Transactions (31 U.S.C. 1352). (Applies only if the contract is expected to exceed \$100,000.) By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.
- (f) Buy American Act Certificate. (Applies only if the clause at Federal Acquisition Regulation (FAR) 52.225-1, Buy American Act--Supplies, is included in this solicitation.)
- (1) The offeror certifies that each end product, except those listed in paragraph (f)(2) of this provision, is a domestic end product and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The offeror shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products. The terms

K.1 Continued.

"component," "domestic end product," "end product," "foreign end product," and "United States" are defined in the clause of this solicitation entitled "Buy American Act--Supplies."

(2) Foreign End Products:

LINE ITEM NO	COUNTRY OF ORIGIN
_____	_____
_____	_____
_____	_____

(List as necessary)

(3) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(g) (1) Buy American Act--North American Free Trade Agreement--Israeli Trade Act Certificate. (Applies only if the clause at FAR 52.225-3, Buy American Act--North American Free Trade Agreement--Israeli Trade Act, is included in this solicitation.)

(i) The offeror certifies that each end product, except those listed in paragraph (g) (1) (ii) or (g) (1) (iii) of this provision, is a domestic end product and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The terms "component," "domestic end product," "end product," "foreign end product," and "United States" are defined in the clause of this solicitation entitled "Buy American Act--North American Free Trade Agreement--Israeli Trade Act."

(ii) The offeror certifies that the following supplies are NAFTA country end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act--North American Free Trade Agreement--Israeli Trade Act":

NAFTA Country or Israeli End Products:

LINE ITEM NO	COUNTRY OF ORIGIN
_____	_____
_____	_____
_____	_____

(List as necessary)

(iii) The offeror shall list those supplies that are foreign end products (other than those listed in paragraph (g) (1) (ii) of this provision) as defined in the clause of this solicitation entitled "Buy American Act--North American Free Trade

Agreement--Israeli Trade Act." The offeror shall list as other foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

Other Foreign End Products:

LINE ITEM NO	COUNTRY OF ORIGIN
_____	_____
_____	_____
_____	_____

(List as necessary)

(iv) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(2) Buy American Act--North American Free Trade Agreements--Israeli Trade Act Certificate, Alternate I (May 2002). If Alternate I to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g) (1) (ii) for paragraph (g) (1) (ii) of the basic provision:

(g) (1) (ii) The offeror certifies that the following supplies are Canadian end products as defined in the clause of this solicitation entitled "Buy American Act--North American Free Trade Agreement--Israeli Trade Act":

Canadian End Products:

LINE ITEM NO

_____
_____
_____

(List as necessary)

(3) Buy American Act--North American Free Trade Agreements--Israeli Trade Act Certificate, Alternate II (May 2002). If Alternate II to the clause FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g) (1) (ii) for paragraph (g) (1) (ii) of the basic provision:

(g) (1) (ii) The offeror certifies that the following supplies are Canadian end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act--North American Free Trade Agreement--Israeli Trade Act":

K.1 (Continued)

Canadian or Israeli End Products:

LINE ITEM NO	COUNTRY OF ORIGIN
_____	_____
_____	_____
_____	_____

(List as necessary)

(4) Trade Agreements Certificate. (Applies only if the clause at FAR 52.225-5, Trade Agreements, is included in this solicitation.)

- (i) The offeror certifies that each end product, except those listed in paragraph (g) (4) (ii) of this provision, is a U.S.-made, designated country, Caribbean Basin country, or NAFTA country end product, as defined in the clause of this solicitation entitled "Trade Agreements."
- (ii) The offeror shall list as other end products those end products that are not U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products.

Other End Products:

LINE ITEM NO	COUNTRY OF ORIGIN
_____	_____
_____	_____
_____	_____

(List as necessary)

(iii) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. For line items subject to the Trade Agreements Act, the Government will evaluate offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products without regard to the restrictions of the Buy American Act. The Government will consider for award only offers of U.S.-made, designated country, Caribbean Basin country, or NAFTA country end products unless the Contracting Officer determines that there are no offers for such products or that the offers for such products are insufficient to fulfill the requirements of the solicitation.

(h) Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549). (Applies only if the contract value is expected to exceed the simplified acquisition threshold.) The offeror certifies, to the best of its

## K.1 (Continued)

knowledge and belief, that the offeror and/or any of its principals--

- (1)  Are,  are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; and
  - (2)  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 Federal, state or local government 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
  - (3)  Are,  are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.
- (i) Certification Regarding Knowledge of Child Labor for Listed End Products (Executive Order 13126). [The Contracting Officer must list in paragraph (i)(1) any end products being acquired under this solicitation that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at 22.1503(b).]
- (1) Listed end products.
- Listed End Product
- Listed Countries of Origin
- (2) Certification. [If the Contracting Officer has identified end products and countries of origin in paragraph (i)(1) of this provision, then the offeror must certify to either (i)(2)(i) or (i)(2)(ii) by checking the appropriate block.]
    - (i) The offeror will not supply any end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product.

**K.1 (Continued)**

[\_] (ii) The offeror may supply an end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any such end product furnished under this contract. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor.

**K.2 52.215-6 PLACE OF PERFORMANCE (OCT 1997)**

- (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, State, County, Zip Code)	Name and Address of Owner and Operator of the Plant or Facility if Other than Offeror or Respondent
_____	_____
_____	_____
_____	_____
_____	_____

**K.3 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (APR 2002)**

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 541910.
- (2) The small business size standard is no more than \$06.0 MILLION average annual receipts for an offeror's preceding 3 FYs.
- (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.

K.3 (Continued)

- (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 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 of ownership, 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:  


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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--

## K.3 (Continued)

"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).

"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

**K.3 (Continued)**

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.4 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (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 its representation, as a certified small

**K.4 (Continued)**

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.5 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS  
(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.6 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (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.7 AGAR 452.222-70 COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS (JAN 1999) (DEVIATION) (USDA)**

- (a) The Offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212 (d) (i.e., the VETS-100 report required by FAR clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has [ ], has not [ ], submitted the most recent report required by 38 U.S.C. 4212(d).
- (b) An offeror who checks "has not" may not be awarded a contract until the required report is filed.

**SECTION I - INSTRUCTIONS, CONDITIONS, AND  
NOTICES TO OFFERORS**

**L.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED  
BY REFERENCE (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/these address(es):

www.arnet.gov/far

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)  
PROVISIONS**

NUMBER	TITLE	DATE
52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	JUN 1999
52.214-34	SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE	APR 1991
52.214-35	SUBMISSION OF OFFERS IN U.S. CURRENCY	APR 1991
52.216-27	SINGLE OR MULTIPLE AWARDS	OCT 1995
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993
52.237-10	IDENTIFICATION OF UNCOMPENSATED OVERTIME	OCT 1997

**L.2 52.215-1 INSTRUCTIONS TO OFFERORS--COMPETITIVE  
ACQUISITION (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," "writing," or "written" means any worded or numbered expression that 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 solicitation's closing date and time, or made in response

## I.2 (Continued)

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 offeror's behalf with the Government in connection with this solicitation; and

## L.2 (Continued)

- (v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's 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 for 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) If it was transmitted through an electronic commerce method authorized by the solicitation, it 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's control prior to the time set for receipt 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

## L.2 Continued.

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 received 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 received at any time before award, subject to the conditions specified in 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) Offerors shall submit proposals 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

## L.2 Continued.

disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's 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 or 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 Government's interest.
- (3) The Government may waive informalities and minor irregularities in proposals received.
- (4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. 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.
- (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 Government's 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

**L.2 Continued.**

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 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA**

- (a) Submission of cost or pricing data is required.
- (b) Provide information described below:  
A breakdown of how costs were derived. For example, number of hours, labor category, and any associated travel costs.

**L.4 52.216-1 TYPE OF CONTRACT (APR 1984)**

The Government contemplates award of a firm-fixed price requirements contract resulting from this solicitation.

**L.5 52.233-2 SERVICE OF PROTEST (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:

Barbara L. Veres

USDA, APHIS  
4700 River Road, Unit 45  
Riverdale, MD

L.5 Continued.

(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.6 AGAR 452.204-70 INQUIRIES (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.7 AGAR 452.215-71 INSTRUCTIONS FOR THE PREPARATION OF TECHNICAL AND BUSINESS PROPOSALS (SEP 1999)**

- A. General Instructions. Proposals submitted in response to this solicitation shall be furnished in the following format with the numbers of copies specified below.
1. The proposal must include a technical, business, and cost 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. two copies of the completed, signed offer (Sections A through K of the solicitation package)
    - b. four copies of the technical proposal.
    - c. two copies of the business/cost.
- B. Technical Proposal Instructions. The offeror's technical proposal shall be submitted in two parts: 1) Technical Approach and 2) Key Peronnell/Experience and Qualifications.
1. Technical Approach shall address the following:
    - a. State the overall objectives and the specific accomplishments the offeror hopes to achieve, including the rationale for the plan, relating it to comparable work in progress or completed elsewhere. Provide a

statement and discussion of the requirements for the study as it is understood and interpreted by the offeror.

- b. The offeror shall propose to address all parts and produce reports for fed cattle and beef, hogs and pork, lambs and lamb meat, or some combination of the these three. If the offeror bids on more than one species of animal and meat, the offeror shall specify different methods and approaches for each species animal and meat as appropriate to examine important characteristics of marketing arrangements and institutions that are unique to each species of animal and meat. The technical proposal shall clearly identify and explain reasons for any differences or commonality in the methods to be used to address different species of animals and meat. If the offeror bids on more than one species, the technical proposal shall indicate whether the offeror is willing to accept a contract for only one species.
- c. The offeror shall clearly identify any limitations to scope of the work to be performed (e.g., limitations with respect to types of livestock or meat or geographic regions.) Offeror shall include a statement and discussion of anticipated major difficulties and problem areas, together with recommended approaches for their resolution. If relevant, a specific statement of interpretations, qualifications, limitations, deviations, or exceptions to the scope of work shall be included. If, in opinion of the offeror, a requirement or specification of the scope of work cannot be satisfied, the offeror shall so state. In this regard, reasoning for the conclusions and suggested or recommended alternatives or compromises for tentative consideration should be furnished.
- d. The offeror shall provide an explanation of the technical approach to be employed and a program outlined for accomplishing the objectives of the contract. The approach should be described in as much detail as necessary to fully explain the proposed technical approach or method and permit assessment of the offeror's understanding of the requirements for the work being undertaken. The offeror's technical approach shall specify all research methods the offeror proposes to use to complete the study. This shall include detailed description of economic and econometric models and hypotheses, experimental statistical or quantitative procedures and models necessary to accomplish the specified objectives, specific data needs, and all other analytical tools and research methods.

- e. The technical proposal shall include description of data requirements differentiated according to data already available to the offeror and data to be collected for this project. The technical proposal shall identify offeror-provided data that are already owned by the offeror, and offeror-provided data that will be accumulated for the first time for this contract. The proposal shall include plans for sample design and sampling procedures, data collection including data sources, collection instruments, sampling procedures, and editing and tabulation procedures
- f. The technical proposal must identify and describe the offeror's procedures for ensuring protection of confidential data and information, including specific plans to protect data collected, used, or maintained by any consultants and/or subcontractor participants.
- g. The technical proposal must include information on how the study is to be organized, staffed, and managed. Information should be provided that identifies important component tasks and describes the offeror's plans for managing those tasks. The technical proposal must identify a management team with the ability to conduct and administer the project.
- h. The technical proposal must state whether consultant and/or subcontractor participation will be utilized. If so, the proposal must identify what tasks will be delegated to consultants and/or subcontractors, identify those participants, and describe how management and coordination of consultant and or subcontractor efforts will be accomplished.
- i. The offeror must disclose all relevant information that could give rise to an actual or potential organizational conflict of interest, as defined in Federal Acquisition Regulation (FAR) 9.5, or must certify that there are no relevant facts or circumstances that could result in actual potential conflict of interest. The offeror must explicitly identify any contracts or other relationships with firms or entities in the livestock or meat industries included in this research project, with organizations that represent such entities, or with organizations that advocate specific policies with respect to the livestock and meat industries. Offeror must describe the nature of any such relationships in sufficient detail to enable GIPSA to evaluate the likelihood of a potential, actual, or perceived conflict of interest.
- j. Offeror shall provide an outline of the phases or segments into which the proposed program can be logically divided and performed if for some substantial reason they are different from the phases or segments in the scope of work.

- k. Information shall be provided that identifies important component tasks and describes the offeror's plans for managing those tasks. Offeror shall provide a schedule for the completion of major tasks necessary to complete required deliverables by the mandatory delivery dates specified in Section C, Performance Work Statement. Performance or delivery schedules shall be indicated in each part (4.1.A through 4.1.E), as well as for the overall study program. Schedules shall be shown in terms of elapsed calendar days from the date of authorization to proceed or, where applicable, from the date of a stated event, as for example, receipt of a required approval by the Contracting Officer.
3. Key Personnel/Experience and Qualifications information shall include the following:
- a.. Organization Experience – Organizational background, experience, and qualifications of the offeror and participants. Special notation should be made of similar or related contracts performed for the government, including documentation with Reference to the applicable contract numbers and awarding agencies.
  - b. Personnel – Personnel who will be assigned for direct work on this program. Information is required that will show the composition of the task or work group, its general qualifications, and recent experience with similar studies. Special mention shall be made of key personnel and the approximate percentage of the total time each will be available for this program. Resumes are required for Key Personnel assigned to the project including any consultants and key subcontractor employees, indicating education, background, recent experience, and specific or technical accomplishments.
  - c. Program Management – Indicate in chart and/or descriptive form how the various activities will be coordinated so as to demonstrate an awareness of organization influences on project implementation and control.
  - d. Related Activities – Describe previous or current related grants or contacts from which the investigators proposed for this project have drawn or are now drawing support. Identify program by title, agency or organization supporting such work, and level of financial support given.
- C. Business Proposal Instructions. The business proposal shall include a cost breakdown outlining the costs associated with the performance of this

contract, including general and administrative expense and profit. A detailed budget shall be provided for each component of the proposal. The budget shall include all supply, equipment, travel, and labor expenses and overhead indirect costs) for successful completion of the project, as well as other funding sources that will be used to leverage the funds requested in the proposal.

If offeror bids on more than one species of animal and meat, the budget shall include, to the extent possible, sufficient detail to identify the costs associated with completing the work on each species separately.

1. 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.
  2. Specify the financial capability, working capital and other resources available to perform the contract without assistance from any outside source.
  3. 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.
  4. Past Performance information shall be included in the Business Proposal and must provide the general background, experience, and qualifications of the offeror's organization. The proposal must briefly review and summarize pertinent work already completed and/or published that is of comparable complexity and scope. Description of similar or related contracts, subcontracts, or grants should be included and contain the name of the customer, contract or grant number, dollar amount, time of performance, and the names and telephone numbers of the project officer and contracting/grants officer. Information provided shall not be over 7 years old. Three references must be provided.
- D. Cost 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 Information Other Than Cost of Pricing Data (OCT 1997), the following is required:

A breakout of how costs were derived. For example, the labor category and hours plus travel etc., for each deliverable specified in Section B.2 of this solicitation.

**L.8 AGAR 452.215-72 AMENDMENTS TO PROPOSALS (FEB 1988)**

Any changes to a proposal made by the offeror after its initial submittal shall be accomplished by replacement pages. 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.9 AGAR 452.237-71 PRE-BID/PRE-PROPOSAL CONFERENCE (FEB 1988)**

- (a) The Government is planning a pre-bid/pre-proposal conference, during which potential offerors may obtain a better understanding of the work required.
- (b) Offerors are encouraged to submit all questions in writing at least five (5) days prior to the conference. Questions will be considered at any time prior to or during the conference; however, offerors will be asked to confirm verbal questions in writing. Subsequent to the conference, an amendment to the solicitation containing an abstract of the questions and answers, and a list of attendees, will be disseminated.
- (c) In order to facilitate conference preparations, it is requested that the person named on the Standard Form 33 of this solicitation be contacted and advised of the number of persons who will attend.
- (d) The Government assumes no responsibility for any expense incurred by an offeror prior to contract award.
- (e) Offerors are cautioned that, notwithstanding any remarks or clarifications given at the conference, all terms and conditions of the solicitation remain unchanged unless they are changed by amendment to the solicitation. If the answers to conference questions, or any solicitation amendment, create ambiguities, it is the responsibility of the offeror to seek clarification prior to submitting an offer.
- (f) The conference will be held:

Date: TBD  
Time: TBD  
Location: TBD  
TBD  
TBD  
TBD

## SECTION M – EVALUATION FACTORS FOR AWARD

### M.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (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/these address(es):

[www.arnet.gov/far](http://www.arnet.gov/far)

### M.2 GENERAL DESCRIPTION OF EVALUATION FACTORS AND RELATIVE ORDER OF IMPORTANCE

#### 1. General Description

The evaluation factors are **A) Technical** to include 1) Technical Approach and 2) Key Personnel, **B) Business** to include 1) Financial Statements, 2) Financial Capability, 3) Affiliate Companies, 4) Past Performance, and **C) Cost**.

The findings associated with each of the evaluation factors will be presented to the Source Selection Official.

#### A. Technical

- 1) Technical Approach - indicates, for each offeror, the merit or excellence of the work to be performed or product to be delivered.
- 2) Key Personnel - indicates the qualifications of the proposed Key Personnel.

#### B. Business

- 1) Financial Statements - furnishing of offeror financial statements.
- 2) Financial Capability - indicates financial capability of company as to whether they can financially perform the work.
- 3) Affiliates - identify offeror affiliates to be involved in this effort.
- 4) Past Performance - indicates quality of goods and services provided by the offeror to the agency and other Government organizations as either a prime or subcontractor.

This factor (B. Business) is not numerically point scored.

#### C. Cost

Costs to be incurred by the contractor for this effort.

This factor (C. Cost) is not point scored.

## **2. Relative Order of Importance of Evaluation Factors**

The relative order of importance of the evaluation factors (Technical, Cost, and Business) are as follows: Technical, Cost, Business. However, the closer the technical scores, the more relevant cost.

### **M.3 EVALUATION FACTORS**

All proposals will be evaluated based upon the completeness and thoroughness of the offeror's demonstrated capabilities for performing the activities outlined in Attachment A, Performance Work Statement and Information provided in Section L.7 entitled, Technical which has two parts: 1) Technical Approach and 2) Key Personnel, Business, and Cost.

#### **I. Technical Proposal**

The proposals will also be evaluated in accordance with the weighted criteria listed below.

##### **A. Technical Approach – Weight 70%**

Under this element, the Government will evaluate the offeror's understanding of the scope of work, project analysis, quality of the technical approach proposed to accomplish the objectives of the solicitation. The Government will evaluate the offeror's understanding of the project by rating the approach provided. The approach should explain how the offeror plans to achieve the objectives in the performance work statement. Therefore, the quality of the approach, proposed methods and techniques and the feasibility of data collection plan will be evaluated.

##### **B. Key Personnel – Weight 30%**

Under this element, the Government will evaluate the technical capability and experience of the proposed key personnel. The Government will evaluate how well the offeror demonstrates that the proposed Key Personnel have the necessary organizational experience, skills, and knowledge to accomplish work in the PWS, and to what extent the resumes of the individuals proposed demonstrate education and experience related to the requirements of the PWS. Personnel will be evaluated on education by degrees attained in economics, statistics, business management, and other related disciplines. Evaluation of experience will be based on evidence of successful work addressing issues related to the objectives in the PWS, such as scientific publications, scientific presentations, and past successful grant or contract work.

Organizational experience, skills, and commitment will be evaluated based on tenure with the organization, employment status, rank, project management, progression of increased job responsibility, and scope of responsibility.

Commitment to this contract will be part of the evaluation. Therefore, this element will also evaluate the extent of the proposed personnel commitment and whether each proposed key personnel has signed a letter of commitment: whether or not they currently work for the offeror; if the letter indicates the date of availability and how long the commitment is binding; and if deficiencies in the resumes are justified by compensating factors. Additionally, the offeror will be evaluated on the categories identified and the qualifications of the personnel named.

In addition to be above, personnel will be evaluated on such standards as: match of experience/education to the solicitation qualifications, progression of increased job knowledge/responsibility and scope of responsibility. Each person's education will be judged against the requirements stated in the Key Personnel discussion above. Pertinent advanced education will also be taken into account.

## **II. Business Proposal**

Financial Statements/Capability – Offeror financial statements will be evaluated to determine if the offeror is financially capable of performing the work for this study.

Financial statements of affiliates, if affiliates are involved in the work for this effort, will be evaluated to determine financial capability or past performance. Past Performance references for work involving studies of comparable complexity and scope will be contacted.

The evaluation will determine if each offeror's record of past performance has consistently demonstrated an ability and commitment to complete sound research and analysis, and history of timely completion of working according to promised schedules. The evaluation will assess the quality of the offeror's past performance, and determine each offeror's probability of success on the project based upon the offeror's past performance. In investigating an offeror's past performance, the Government may also consider information from sources, other than the 3 provided, that provide means for evaluating the offeror's research credentials and professional standing. If necessary, the Contracting Officer will contact offerors and provide them with an opportunity to address significantly unfavorable reports of past performance, if the offeror has not had a previous opportunity to review the rating. Successful past performance directly relating to the issues and subject matter area of this solicitation would tend to result in a higher rating that work in unrelated areas, but a proposal will not be eliminated solely due to lack of performance history relating to this solicitation.

New offerors, as a result of submitting an offer for this particular requirement, will be given a neutral (satisfactory) score, should no past performance for the offeror be available.

### **III. Cost Proposal**

Cost and price will be evaluated to establish:

1. Realism

The realism of the proposed cost/price: e.g., variance (if any) between proposed rates and actual projected rates for direct and indirect costs.

2. Probable Cost

Probable cost to the Government, including any improvements required by the Government.

## **M.4 BASIS OF AWARD**

Offerors will be evaluated on the merits of the proposed research methods, data requirements, completeness of the technical proposals, and offeror's capabilities as described in the proposal. The Government will make award to the offeror whose offer conforms to solicitation requirements and represents the best value, technical approach, cost or price and other related factors such those required in the business proposal.

For this evaluation, award may be made to other than the lowest priced reasonable offeror. Technical quality will be determined in part by the background, education, and experience of key personnel designated by the offeror to work on this project.

Primary consideration will be given to the evaluation of the technical proposals rather than cost/price or business considerations. However, cost and business considerations will not be disregarded. Cost and business considerations will not be given a percentage ranking, but as a result of the evaluation, but will be used to decide which offer presents the best value. The closer the technical percentages received, the more important cost will become, and thus could be the deciding factor when percentages are close.

Costs will be evaluated on the basis of cost realism, which is defined as the offeror's ability to project costs that are reasonable and indicate that the offeror understands the nature and extent of the work to be performed. The determination of cost realism is the process of independently reviewing and evaluating specific elements of each offeror's proposed costs to determine whether the estimated proposal costs are realistic for the work performed, reflect a clear understanding of the requirements contained within the business proposal, and are consistent with the offeror's technical proposal.

The Government reserves the right to make multiple awards.

**PERFORMANCE WORK STATEMENT  
FOR LIVESTOCK AND MEAT MARKETING STUDY  
February 4, 2004**

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## 1.0 BACKGROUND

The Grain Inspection, Packers and Stockyards Administration (GIPSA) of the U.S. Department of Agriculture (USDA) administers the Packers and Stockyards Act of 1921, as amended and supplemented (7 U.S.C. 181 - 229) (P&S Act). The P&S Act prohibits unfair, deceptive, and fraudulent practices by market agencies, dealers, stockyards, packers, swine contractors, and live poultry dealers in the livestock, meatpacking, and poultry industries. During the development of the 2002 Farm Bill, the Senate considered an amendment to the P&S Act that would make it unlawful for a packer to own, control, or feed livestock intended for slaughter. After much debate, the proposed amendment was dropped in conference.

The issue of packer ownership of livestock is highly contentious among livestock industry members. Some industry participants are concerned that packer ownership of livestock before they are ready for slaughter and other advance procurement arrangements (some of which are referred to as captive supplies<sup>1</sup>) may enable packers to reduce spot market prices, and that the arrangements may threaten the future of spot markets or reduce market opportunities for small producers. Others believe that advance marketing arrangements (both procurement and sales) increase efficiency, quality of products, responsiveness to changing consumer preferences, and competitiveness with other meats.

Issues surrounding packer ownership of livestock for slaughter are part of a larger set of issues relating to concentration and vertical coordination in the livestock and meat system. Many questions remain unanswered about these issues. The effects of the ownership of livestock by packers and its impacts on the livestock and meat marketing industries needs to be better understood before it can be determined whether legislative action may be appropriate. In the fiscal year 2003 budget (Public Law 108-7), Congress specified that \$4.5 million of the GIPSA budget is to be used for a packer concentration study. Congress specified that the study should address “issues surrounding a ban on packer ownership” (Congressional Record, February 12, 2003, page H870).

Packer ownership is one of a broad range of alternative marketing arrangements that have emerged in the cattle, hog, lamb, and meat industries to coordinate activities between and within stages of the livestock and meat system. It is difficult to make important decisions about these practices in the absence of sound analyses of their use and implications. The planned study will contribute to better understanding of the role of alternative marketing arrangements, the extent of their use, reasons why firms enter into them, and their implications.

Since captive supplies, packer ownership, and other advance marketing arrangements are interrelated throughout the livestock and red meat industries, we plan to study marketing methods from the farm level to the retail, export, and foodservice levels. The study will examine

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<sup>1</sup> GIPSA defines captive supplies as livestock that are owned or fed by a packer more than 14 days prior to slaughter; livestock that are procured by a packer through a contract or marketing agreement that has been in place for more than 14 days prior to slaughter; and livestock that are otherwise committed to a packer more than 14 days prior to slaughter.

the use and economic effects of various methods for transferring cattle, hogs, lambs, and meat between successive stages of the livestock and meat marketing system. It will examine marketing arrangements from the first-producer (for example, cow-calf producers and hog farrowing operations) to the procurement of meat and meat products by retail establishments, exporters, and the hotel, restaurant, and institutional trades.

The study will serve several purposes:

- Give producers better information on which to base their decisions about whether to participate in non-traditional marketing arrangements and, if so, which types of arrangements are best suited to their needs.
- Contribute to better public understanding of the role of alternative marketing arrangements, the extent of their use, reasons why firms enter into them, and the implications of such arrangements.
- Help identify emerging marketing information needs of livestock producers and other market participants.
- Make an important contribution to USDA and Congress in deciding whether restrictions on use of captive supplies are warranted.
- Assist GIPSA in enforcing the Packers and Stockyards Act by contributing to the Agency's understanding of changing marketing practices and by identifying areas that the Agency may need to include in its investigation plans.

## 2.0 OBJECTIVE

In order to provide better information for decision-makers in the livestock and meat industries and for public policy formation, the Grain Inspection, Packers and Stockyards Administration (GIPSA) of the U.S. Department of Agriculture (USDA) is soliciting proposals for a study of spot and alternative marketing arrangements in the livestock and meat industries. The general objective of this solicitation is to develop information necessary for private and public decision-making about issues associated with arrangements used in the livestock and meat industries, including but not restricted to a ban on packer feeding. GIPSA believes that in order to address these issues it is necessary to identify the types of arrangements that are used, determine the extent of their use, why firms enter into the various arrangements, the terms and characteristics of the arrangements, and the effects and implications of the arrangements on participants and on the livestock and meat marketing system.

The study will include all marketing arrangements associated with the production of livestock for slaughter and production of meat products. This includes marketing arrangements associated with breeding operations and transfer of immature livestock that are destined for slaughter as fed cattle, market hogs, and lambs. The study will include separate analysis of marketing arrangements associated with the production and marketing of fed Holsteins and meat produced from these animals to the extent such arrangements differ from those for other fed cattle. The study will not include marketing arrangements associated with disposal of cull livestock.

The study may draw on economic, business management, statistics, and other academic disciplines. It will require knowledge of institutional arrangements in the livestock and meat industries.

### 3.0 SCOPE

3.1 The study will be national in scope, and will include consideration of any regional differences in use of arrangements. The study will consist of economic analyses of arrangements that firms use to transfer fed cattle, hogs, lambs, and meat produced from these animals (beef, pork, lamb meat), between firms at all stages of the production and marketing system from the first-producer (for example, cow-calf producers and hog farrowing operations) through slaughter, processing, and distribution stages to procurement of meat and meat products by retail establishments, exporters, and the hotel, restaurant, and institutional trades.

The arrangements to be examined will include spot or open market sales transactions and all other oral or written sales and procurement agreements. Arrangements may involve ownership of livestock, meat, or whole production enterprises at more than one stage of the production and marketing system.

3.2 The study will be limited to analyses of economic factors associated with spot and alternative marketing arrangements for transferring fed cattle, hogs, lambs, beef, pork, and lamb among successive stages of the livestock and meat marketing system. The study will not analyze alternative policy options and will not include policy recommendations.

3.3 Although emphasis will be on U.S. domestic marketing arrangements, any significant international dimension should be included as applicable (e.g. cross-border transactions of live animals, multinational ownership of slaughter facilities, retail outlets etc, especially within the integrated context of NAFTA).

### 4.0 SPECIFIC REQUIREMENTS

4.1 In order to meet the objectives of this study, GIPSA requires research in the five parts identified below. Offeror shall conduct analysis and produce reports of the analysis and findings in each of the five parts. Offeror may elect to regroup the five parts, but any such combined reports shall conform to the requirements of the Schedule of Deliverables in Paragraph 10.2 below.

Marketing arrangements associated with each of the major species of livestock (fed cattle and beef, hogs and pork, lambs and lamb meat) differ in significant ways. The successful offeror shall analyze and report separately on marketing and institutional arrangements that are unique to each species of livestock

**A. Identify and classify spot and alternative marketing arrangements into appropriate categories for examining alternative types of vertical coordination and pricing.**

Offeror shall determine the methods used to transfer livestock and meat, by livestock species, among stages of the production and marketing channels (livestock production, slaughter, further processing, wholesaling, retailing, foodservice, and export). Offeror shall consider the terms and characteristics of alternative marketing arrangements and classification of types of market participants described in part B below. Offeror shall classify alternative spot and non spot

marketing arrangements in a manner appropriate to achieve the objectives of subsequent parts of the study. Categories must be identified with sufficient precision to permit:

- empirical analysis of differences in the extent of use and terms of the arrangements;
- identification, measurement, and comparison of benefits reported by firms that use the arrangements;
- analysis (including comparative analysis) of the effects on short-run and long-run costs, efficiencies, animal and meat quality, price and other business risks, and price levels;
- analysis of implications of changes in the use of alternative arrangements for long run structure of the livestock and meatpacking industries and markets (e.g., entry conditions and concentration levels), price discovery, thin markets, competitiveness among meats, and competitive conditions in the industries.
- analysis of system-wide implications of restricting packer ownership of livestock before they are ready for slaughter and other arrangements through which packers agree to purchase livestock before they are ready for slaughter.

Classification of types of spot and alternative marketing arrangements—Marketing arrangements reflect differences in marketing methods and pricing methods. The following list of marketing methods and pricing methods illustrates the level of detail that may be needed, but offeror shall identify and justify proposed categories.

Marketing Methods:

- Spot market
  - Negotiations between individual buyers and sellers
  - Sealed bids by buyers or sellers (e.g., buyer or seller solicits sealed bids and accepts all or part of offers without negotiating as normally done in bilateral negotiations)
  - Organized markets (e.g., auction markets, video and other electronic markets)
- Advance arrangements
  - Sale of individual lots (e.g., forward contracts)
  - Open-ended agreements covering many lots (e.g., marketing agreements). The following are sub-categories that may be further subdivided based on whether the agreements limit price risks (e.g., window and ledger contracts in hog sales) or other risks (product quality, loss of product, costs)
    - Agreement limited to two parties versus open to many or all
    - Binding versus non-binding quantity requirements
    - Agreements across more than two stages of the supply chain
  - Production contracts
  - Joint/shared ownership of products exchanged (e.g., feed company and farmer jointly own pigs on feed or rancher and packer jointly own cattle or sheep placed in feedlots)
  - Joint venture of enterprises that produce products for the parties or others (e.g., slaughtering packer and further processing packer jointly own meat processing

- plant; farmers and packers jointly own and operate a feedlot or hog breeding operation)
- Intrafirm transfers (ownership across vertical stages)

Pricing methods:

- Negotiated privately
- Open bidding
- Based on prices buyer pays to others
- Based on publicly reported prices for products like the product traded
- Based on publicly reported prices for products produced from products like the product traded (e.g., animal prices based on wholesale or retail meat prices)
- Based on input prices (e.g., animal prices based on grain prices, meat prices based on animal prices)
- Based on futures market prices
- Intrafirm transfer price

Offeror shall identify the expected classification categories and describe and justify the approach or criteria that offeror will use to identify and classify types of marketing arrangements according to the spot and alternative marketing methods and associated pricing methods. The proposal shall explain why and how the proposed classification categories and approach are the most appropriate for describing and analyzing alternative marketing arrangements. Offeror's justification for the proposed classification shall cite relevant theory, prior research findings, and other supporting information as appropriate.

The proposal shall describe data requirements for identifying types of spot and alternative arrangements and associated pricing methods, sources of data and plans for collecting the data, and describe other proposed methodology necessary to complete this portion of the study.

The successful offeror shall produce a report describing, by species, the types of spot and alternative marketing arrangements that are used in the livestock and meat industries and classify the arrangements by type of marketing arrangement, associated pricing methods, and type of market participant (see part B below).

This part of the study will provide an inventory of existing marketing arrangements. The findings will contribute to improved information about types of spot and alternative marketing arrangements and pricing methods that are used. The categories will be used in subsequent parts of the study.

**B. Describe the terms and availability of various types of spot and alternative marketing arrangements and associated pricing methods, and examine why firms use them.**

Offeror shall identify and report on important terms and characteristics of the various types of spot and alternative arrangements, by livestock species. Examples of terms include, but are not limited to:

- Written versus oral
- Number and types of parties (some arrangements may extend across several stages of the production and marketing system)
- Length of agreements
- Which party(ies) control(s) delivery timing
- Quantity requirements
- Quality requirements
- How, by whom, and when animal or meat quality is determined
- How, by whom, and where prices are determined when formulas are used, including use of futures market prices and use of quality and non-quality premiums and discounts
- Termination options
- Dispute resolution mechanisms
- Whether prices are reported to the Agricultural Marketing Service or other market news organization

Offeror shall determine, by type, size, and location of market participant, the incidence and frequency with which the various terms are used in each of the types of marketing arrangements identified in part A and describe whether and how terms vary over time, e.g., during different market conditions.

Offeror shall determine the availability of alternative marketing arrangements to market participants, by type, size, and location of market participant. Availability includes whether certain arrangements are in use in whole or part and any limitations or restrictions in the terms that are offered to different market participants. For example, determine if certain arrangements and terms are only available in certain geographic areas, or to certain types or sizes of market participants, or under certain types of market conditions.

Offeror shall determine the reasons why market participants, by type, size, and location, enter into various types of spot and alternative marketing arrangements. Examples of reasons may include: Cost and price advantages, access to market or guaranteed supply or market, risk reduction, access to financing, improved product quality, increased consistency of product quality and specifications, access to and control over certain genetics, increased control and knowledge of production methods or processes, increased control of sanitation or food safety conditions, managerial assistance, access to management expertise, and support of business strategies or competitive objectives. The reasons shall be detailed enough to facilitate analyses of the magnitude of such effects in subsequent parts of the study.

Types of market participants—Offeror shall propose categories at a level of disaggregation that is needed to distinguish meaningful differences in marketing arrangements among the market participants. The following list is provided to illustrate the level of detail that may be needed, but offeror shall identify and justify proposed categories.

- Livestock producers (cattle, hog, lamb). May be subdivided based on the extent to which there is separation in breeding and growing operations (e.g., breeding/birthing/weaning, veal calf/feeder pig production, backgrounding).
- Feeders (cattle, hog, lamb)
- Dealers who briefly take title to animals or meat
- Slaughtering packers (cattle, hog, lamb)
- Meat fabricators/processors (beef, pork, lamb). May be further subdivided based on the extent to which they fabricate and process meats.
- Wholesalers
  - Affiliated general line (voluntary-group and cooperatively-owned)
  - Other general line
  - Other wholesalers (e.g., meat wholesalers, frozen food wholesalers, dairy wholesalers)
  - The above categories of wholesalers may be further subdivided by class of customer, e.g., those who specialize in:
    - Sales to retailers, or certain types of retailers
    - Sales to foodservice firms, or certain types of foodservice firms
    - Export sales
    - Other classes of customer (other wholesalers, manufacturers, government accounts)
  - Wholesalers also may be further subdivided by type of operation (merchants, brokers)
- Retailers
  - Large supermarket firms (operate one or more general line distribution center)
  - Independent and small chain supermarket firms (no general line distribution center)
  - Club stores and other discount retailers (e.g., Costco, Sams, BJ's, Wal-Mart)
  - Convenience stores
  - Other retailers (e.g., meat markets, general merchandise retailers)
- Foodservice operations
  - Commercial eating place operations
    - Limited service/fast food
    - Other restaurants and commercial eating places (e.g., hotels, retail hosts, recreation and entertainment places, separate drinking places)
  - Institutional foodservice (education, military, hospitals, correctional places, day care, office buildings, etc.)
- Exporters

Size of market participants—Offeror shall propose size categories or groupings for market participants (plant/establishment size and firm size categories) that are meaningful to understand size differences for the various types of market participants. Offeror shall specify the measures to be used (e.g., number of head, pounds of meat, dollar volume of purchase or sale). Offeror shall consider including firm size groupings in both absolute sizes and groupings based on the relative size of leading firms. Any groupings that are based on relative size of the leading firms

should use the standard of: 4 largest, 8 largest, 12 largest, 20 largest, and 50 largest, as appropriate.

Location of market participants—Location of market participants shall include relevant geographic regions as may be needed to explain meaningful geographic differences in use, terms, availability, effects, and implications of various marketing arrangements. To the extent practical, consistency of definitions of geographic regions is preferred. Offeror shall propose and justify either the regions that will be used or the methods that will be used to define geographic regions.

This part of the study may require one or more surveys of all segments (producers to retail, foodservice, or export) in the livestock and meat industries. Offeror's proposal shall include plans for designing and conducting the surveys, as well as for obtaining any secondary data that may be used.

The successful offeror shall produce a report that identifies what terms are used in spot and alternative marketing arrangements, including arrangements that cover more than two stages of the supply chain. The report shall describe the availability of alternative marketing arrangements to market participants, by type, size, and location of market participants. It shall describe the specific reasons that the various types of market participants give for entering into the various types of marketing arrangements. Measurement or quantification of the extent to which the various types of arrangements are used is covered in part C below.

This part of the study will describe the range and significant differences in terms used in various types of marketing arrangements, indicate the availability of the arrangements, and indicate why firms enter into them. The findings will provide descriptive information about marketing behavior in the livestock and meat industries, and will be essential as input to subsequent parts of the study.

**C. Determine the extent to which various types of spot and alternative marketing arrangements are used, analyze price differences among the marketing arrangements, and analyze the effects of alternative arrangements on short-run spot market prices.**

Offeror shall, by livestock species:

- (1) Determine the volume of livestock and meat transferred through the types of spot and alternative arrangements identified in part A above by type, size, and location of market participants. (See the description of types, sizes, and locations of market participants in part B above.)
- (2) Determine price differences associated with the various types of spot and alternative marketing arrangements described in part A above, adjusting for quality differences, lot size, and other relevant factors that may affect prices. Report average price levels and differences in prices by type, size, and location of market participants. (See the description of type, size, and location of market participants in part B above.) For example, do prices paid for livestock or meat traded using a certain type of marketing arrangement tend to be higher or lower than prices paid for similar products traded through other marketing arrangements and, if so, how much higher or lower? Examine

whether price differences vary with market conditions, e.g., differ between expansion and contraction phases of livestock cycles.

- (3) Determine if packers' use of alternative procurement and pricing arrangements, described in A above, for fed cattle, slaughter hogs, and lambs are causally related to spot market prices for these animals in the short run. If so, indicate the nature of the relationship, the economic rationale for the relationship, and the supporting economic analyses. Include consideration of whether the effects are affected by expansion and contraction phases of livestock cycles. This question has been examined for fed cattle in previous research, but definitive findings have not been reached regarding the question of causation.

Offeror shall propose theoretical models and hypotheses to be tested, analytical methods and models, and data collection and processing plans. This part of the project may require one or more surveys of all segments (producers to retailers, foodservice, or export) of the livestock and meat industries. This part of the project is expected to require complex statistical and econometric analyses of individual procurement and sales transactions data and other data to compare price differences among the various types of spot and alternative marketing arrangements. Offeror shall propose empirical models and methods that control for relevant factors that may influence prices in order to assess price differences associated with different marketing arrangements and determine the effects of alternative marketing arrangements on short-run livestock prices.

Offeror shall include plans for designing and conducting surveys and obtaining primary data and any secondary data that may be used in the study. Offeror's plans for obtaining the necessary data shall include types of data, time periods, and sources of data including a description of any proposed sample design and sampling procedures.

Successful offeror shall produce a report on the findings of this part of the study. The report will provide comprehensive quantitative information about the quantity of livestock and meat transferred among participants through various types of spot and alternative marketing arrangements; the relative importance of the various arrangements to market participants by type, size, and location of the market participants; differences in prices associated with the various types of marketing arrangements; and the effects that alternative procurement arrangements have on short run spot-market prices for fed cattle, slaughter hogs, and lambs. Analysis of long-run effects and implications are included in parts D and E below.

**D. Measure and compare possible costs and benefits associated with the various types of spot and alternative marketing arrangements.**

As described below, Offeror shall, by livestock species, measure the effects that various spot and alternative marketing arrangements, described in part A above, have on operating costs, operating efficiency, animal and meat quality, and level and distribution of risks for the types of market participants described in part B above, and for the livestock and meat marketing system as a whole, and on consumer demand for meat. Reasons market participants give for entering into various types of marketing arrangements were identified in part B above. In part D, Offeror shall determine whether they are realized and measure the size of the effects that are claimed. Offeror shall measure effects at a level of disaggregation adequate to distinguish important

sources of differences among types of arrangements, by type, size and location of market participant.

Size economies—Offeror shall measure size and other economies and diseconomies, and their sources, such as procurement costs, operating costs, selling costs, and costs by type of input (e.g., labor costs or capital costs) that are associated with different marketing arrangements described in part A above. For example, do certain types of marketing arrangements yield greater savings to large plants or firms resulting in size economies?

Efficiencies—Offeror shall identify and measure significant efficiency differences that are associated with differences in the marketing arrangements described in part A above. Examples of efficiency factors may include feed conversion efficiency, pounds of certain quality meat per pound of live animal or carcass, tons of throughput per labor hour, pounds of animals slaughtered or meat processed per square foot of floor space or per cubic foot of cooler space, and sales per square foot of wholesale storage space. To the extent relevant, differences should be reported by type and source of efficiency (e.g., labor costs, administrative expenses, building costs, equipment costs). Offeror shall consider estimating separate efficiency effects associated with materials handling functions and information functions. Significant differences in efficiency shall be reported by type, size, and location of market participant as described in B above.

Quality—Offeror shall determine the extent to which any differences in animal and meat quality are associated with differences in spot and alternative marketing arrangements. Quality may include, but not be limited to: Official or unofficial grades, meat tenderness, meat taste and nutrition characteristics, consistency of animals and meat products over time, and uniformity of product characteristics such as weight of animals in a sale lot or size of rib eye in shipments to retailers or foodservice firms. The study should answer such questions as: Do certain marketing arrangements contribute to production of higher quality and more consistent animals or meat than do other types of marketing arrangements? If so, what are the quality differences, what are the sources and magnitude of the quality differences? How do the differences vary by type, size, and location of market participant?

Risks—Offeror shall determine if the various types of marketing arrangements (see part A above) shift risks among market participants or alter risk levels, determine the direction of shift, measure the magnitude of any such increases or decreases in risks for the respective participants, and indicate how the risks are shifted. Offeror's proposal shall specify how risk will be defined and measured. Risks include, but are not limited to: Price (e.g., input and output price changes over time, during different market conditions), quality variation (e.g., lower or inconsistent grades, failure to meet product specifications for a branded product), loss of product (e.g., death losses, spoilage, theft), loss of supplier, loss of buyer, reduced credit rating, less reliable trading partners.

This part of the study may require complex sampling to obtain primary data from farms, feedlots, meatpackers, wholesalers, retailers, foodservice firms, and exporters, and may require sophisticated modeling and quantitative methods. It may entail economic engineering and econometric analyses. The analysis may need to allow for the possibility of market

concentration, asymmetric information, and strategic behavior at various stages of the supply chain, and for the use of futures contracts. Offeror's proposal shall describe the theoretical framework for this part of the study, describe the types of data that will be needed, the time periods covered by the data, and plans for collecting the data, including description of proposed sample design and sampling procedures. Offeror shall describe hypotheses that will be tested, and the analytical models and methods that will be employed.

The successful offeror shall produce a comprehensive report on this part of the study. The report shall include the methods employed (including data collection and processing), analytical methods and estimated models, and detailed findings. The report shall enable readers to compare economic costs and benefits associated with the various types of marketing arrangements at different stages of the supply chain, determine the sources and magnitude of those differences in costs and benefits, and determine what effects the use of various marketing arrangements might have on costs, efficiency, risks, animal and meat quality, and prices at each stage of the livestock and meat industries. This part of the report will provide quantitative information needed to help assess benefits and costs associated with various types of marketing arrangements and evaluate the validity of the reasons stated by industry participants for use of alternative types of arrangements.

**E. Analyze the implications of alternative marketing arrangements for the livestock and meat marketing system.**

Offeror shall, by livestock species, evaluate long-run, system-wide implications of the various types of spot and alternative marketing arrangements and combinations of arrangements. The analysis shall use the findings of the previous parts of the study and other information as needed to:

- Assess the relative overall strength of positive and negative economic incentives for increased or decreased use of the various types of marketing arrangements. Examples of such assessments include:
  - Develop a summary measure of all of the economic incentives associated with each major type of marketing arrangement at each stage of the supply chain. Offeror shall combine the cost, efficiency, product quality, risk effects, and other incentives (such as access to information and financing) into a summary measure for each major type of marketing arrangement. Report the summary measures for each type of arrangement, by type, size, and location of market participant.
  - Identify the 10 most significant types of spot and alternative marketing arrangements, in which significance is measured by the likelihood that the arrangement will be used extensively in the industries examined.
  - Examine summary effects of combinations of marketing arrangements across different stages of the supply chain. Identify types of marketing arrangements that tend to be used in combination at different stages of the supply chain. For example, certain types of marketing arrangements that are used to transfer calves

to feedlots may typically be associated with use of particular types of marketing arrangements to transfer fed cattle to packers, and typically be associated with use of particular types of arrangements to transfer beef to retailers. Offeror shall consider identifying such combinations and summarizing the differences in effects associated with the various marketing arrangements at individual points in supply chain and for the entire supply chain, and by type, size, and location of participant. Offeror may consider major system-wide combinations of alternative arrangements from the perspective of alternatives used by producers, of alternatives used by packers, and of alternatives used by retailers, foodservice firms, and exporters.

- Assess system-wide long-run effects of major types of marketing arrangements on the livestock and meat industries (e.g., effects on costs, prices, product quality, risk levels, and other factors identified in parts A through D).
- Estimate major summary effects on consumer demand. Examine the effects that differences in costs and efficiencies (which may affect prices), meat quality, consistency, and other factors are likely to have on consumer willingness to purchase various quantities at various prices. Indicate how cost differences associated with various types of marketing arrangements might (1) affect meat consumption if the cost differences were passed through to consumers (effects on quantity demanded), or (2) affect animal and meat production if the cost differences were passed on to farmers. Indicate the likely distribution of such cost differences between farmers and consumers. This analysis will indicate what effects alternative marketing arrangements are likely to have on consumer demand and on consumer and farm-level prices.
- Identify the types of marketing arrangements that are likely to grow in importance (e.g., usage) and those that are likely to decrease in importance, based on their economic effects in the livestock and meat industries, as determined in parts A through D.
- Examine the implications of likely changes in use of various marketing arrangements on:
  - Price discovery—Identify and describe ways in which price discovery is likely to change at each stage of the supply chain if market participants adopt different marketing arrangements on the basis of the benefits and costs identified in part D and the preceding phase of part E above. This analysis largely follows from differences in pricing methods that are used with the various types of marketing arrangements, but offeror also should consider other factors that may lead to changes in price discovery based upon the preceding analyses of marketing arrangements in this study.
  - Risk management—Offeror shall identify and describe how risk management is likely to change at various stages of the supply chain if market participants adopt different marketing arrangements on the basis of the benefits and costs identified in part D and the preceding phase of part E above.

- Thin Markets—Offeror shall assess how prices are likely to be discovered at the various stages of the supply chain if relevant spot markets become thinner. This may, for example, include adoption of pricing methods not currently or commonly used in the livestock and meat industries.
- Competitiveness among meats—Determine what competitive advantages are likely to be gained or lost based on the economic strengths identified above for the major types and combinations of spot and alternative marketing arrangements. Consider, for example, based on the analyses above, estimating a summary value of the competitive advantages and disadvantages per pound of animal and meat at various points in the livestock and meat industries.
- Ease of entry into each stage of the livestock and meat industries—Describe the effects that changes in use of major types of marketing arrangements are likely to have on entry into farming, feeding, meatpacking, and other major stages in the livestock and meat industries. For example, increased cost of entry may be associated with need to establish supply arrangements in order to meet production and marketing requirements.
- Concentration in livestock production and feeding, and in meatpacking
- Structure of the livestock industry—For example, implications for extent of contract production and marketing, number and size distribution of farms, geographic location of production, etc.
- Structure of the meatpacking industry—For example, implications for size of plants and firms, geographic location of plants, production of branded products, etc.
- Other factors that have the potential to change market power in livestock production, meatpacking, and retailing—For example, changes in the degree of asymmetric information; changes in control of genetics; and changes in control of livestock and meat production (which may affect strength of branded product); etc.
- Assess system-wide implications of restricting packer ownership of livestock before they are ready for slaughter and other arrangements through which packers agree to purchase livestock before they are ready for slaughter. Assess the system-wide implications of these restrictions on costs, prices, efficiency, product quality, business risks, competitiveness among meats, competitiveness of markets, consumers, producers and other market participants.

Offeror’s proposal shall specify the methods that will be used to examine the effects and implications of various spot and alternative marketing arrangements and changes in their use as called for in this part of the study.

The successful offeror shall produce a final report that fully describes the study’s findings, the methods employed, the data used, data sources, and analytical methods employed in the study. The report shall identify any underlying assumptions, and describe how the outcomes would vary under alternative critical assumptions. Any conclusions of the study shall be limited to findings produced from the data and analyses employed in the study.

The findings of this part of the study will help identify marketing arrangements and combinations of arrangements that produce lower costs, greater efficiency, improved meat quality, lower risks, etc. for the livestock and meat marketing system and, thus, will identify major economic pressures for change in the types of marketing arrangements that are used throughout the supply chain. The study will indicate how various market participants, by size and location, are likely to be affected, and whether their ability to participate in the changes may be affected by the availability and terms of the various arrangements. The study will assess the effects and implications of alternative marketing arrangements including the implications of restricting procurement arrangements of packers.

4.2 Offeror shall propose a plan of work and methods for addressing the study objectives and completing all parts of the study identified in 4.1. Offeror shall propose to address all objectives and produce the required reports for (1) fed cattle and beef, (2) hogs and pork, or (3) lambs and lamb meat, or (4) some combination of (1), (2), and (3). No other parceling of study components shall be permitted. We anticipate that significant economies may be realized by combining data collection across species.

The study shall identify, describe, and analyze important characteristics of the marketing and institutional arrangements that are unique to each species of livestock. A Contractor's reports shall reflect these differences and be organized so that readers can easily recognize the differences.

If an offeror proposes to examine only one species of livestock, the proposal shall indicate how the offeror will address the implications when firms combine multiple species of livestock or meat in purchase or sales agreements. For example, if an offeror only bids on the cattle portion of the study, the offeror shall indicate how the marketing arrangements that include more than cattle (e.g., a packer may have a sales agreement with a retailer that includes beef and pork) will be handled. This applies to research methodology, data collection, etc. in the technical proposal.

If an offeror proposes to examine more than one species of livestock, offeror shall indicate what modifications in the technical and business proposals would apply if a contract were awarded for only one of the species of livestock.

Offeror may use subcontractors for various requirements of the study, subject to conditions described in Paragraph 4.13 below.

Offers will be evaluated on the basis of the proposed methods, among other factors (see solicitation Section M). Offeror's Technical Proposal shall describe in detail and justify the methods proposed for each part. The description of methods shall include, for each part of the study: Theoretical rationale, assumptions, model specifications, hypotheses, analytical method or methods, data requirements, and plans for obtaining and analyzing the data. Data collection plans shall include description of sample design, any proposed sampling procedures, and other research methods (empirical models and estimating procedures) in which the data will be used. Offeror shall indicate what the implications are if data are not available and alternative plans for proceeding should specific types of data prove to be unavailable. Offeror's Technical Proposal shall include the information required as stated in Section L of this solicitation.

4.3 Completion of the study will require data collection and complex analytical methods. Multiple surveys may be required. There may be efficiencies or cost savings in surveying across types of livestock or meat. Offeror's proposal shall describe plans for conducting the necessary survey(s) to obtain data needed to complete the study. If offeror proposes to study more than one species of livestock, Offeror's proposal shall identify and discuss the implications (e.g., for sampling, costs, time requirements, adequacy of data collected) of any proposed consolidation of surveys to collect data needed for the study. Government will make contract award(s) for specific methods and corresponding data requirements as proposed by offeror. Once any proposed methods have been accepted by GIPSA and incorporated into a contract, Contractor may not depart from or modify the agreed-upon method or methods without advance written approval by the Contracting Officer's Representative (COR) (see Paragraph 12 below).

4.4 Offeror shall collect and process all necessary data. All data collected on individuals, business entities, and other organizations for the study shall include a pledge of confidentiality and be collected exclusively for statistical purposes consistent with the provisions of the Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA).<sup>2</sup> All data collection will be subject to provisions of the Paperwork Reduction Act. Contractor is responsible for complying with the necessary procedures to obtain approval from the Office of Management and Budget (OMB) for data collection, including preparation of necessary documentation. Data collection plans will be subject to peer review, and to approval by OMB. Data collection plans shall include research methods. COR shall clear all data collection packages prior to submission to OMB. It may take up to 6 months to obtain OMB approval for data collection. Contractor may collect data under the Packers and Stockyards Act from entities subject to the Act i.e. packers, market agencies, or dealers. In cases where data are to be produced by entities subject to the Packers and Stockyards Act, GIPSA will make the formal requests for the data. Contractor will need to obtain data from firms that are not subject to the Packers and Stockyards Act through the Contractor's voluntary data collection efforts.

4.5 Offeror's technical proposal shall identify data that are already owned by the offeror, and data that will be accumulated for the first time for this contract. Contractor shall provide GIPSA on-site access to any Contractor-owned proprietary data proposed for use in the study or, at GIPSA's discretion, shall send the data to a location determined by GIPSA in order that GIPSA may review the quality and suitability of the data for use in the study, or to review the quality of products produced by the study. Prior written permission of the Contracting Officers Representative is required to incorporate data not first produced in the performance of this contract. GIPSA shall have the right to disclose, reproduce, prepare and distribute derivative works, and otherwise use the data.

4.6 All data and information collected by the Contractor for the study are subject to the confidentiality restrictions in CIPSEA. Additionally, any data and information collected under the authority of the Packers and Stockyards Act (P&S Act) will be subject to the confidentiality restrictions in the P&S Act. The Contractor shall protect the confidentiality of all data and information collected for the study subject to CIPSEA and the P&S Act. Confidentiality

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<sup>2</sup> CIPSEA, Title V of E-Government Act of 2002 at: [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107\\_cong\\_public\\_laws&docid=f:publ347.107.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf)

restrictions shall continue indefinitely after the Contractor has completed the study. All persons who will have access to the data and information collected or any aggregations of the data and information into summary tables, statistics, or other aggregations derived or produced from the data for the study must be approved by GIPSA and will be required to sign a non-disclosure agreement in which such persons swear an oath to be subject to the requirements and penalties provided by CIPSEA prior to being given access to any data. Contractor shall identify all individuals who will have access to such data and information.

4.7 Contractor's reports shall document all aspects of the study and the relevant findings. It will be necessary to analyze confidential data and information and it may be necessary to analyze behavior of individual firms or interactions among individual firms. Reports submitted to GIPSA may include confidential data and other information as necessary to fully report the findings of the study. If reports include confidential data or other information or otherwise reveal information about an individual, individual business entity, or individual organization, Contractor shall prepare a separate version of the final reports that are suitable for public release and are consistent with GIPSA's confidentiality restrictions as described in paragraph 7.1-7.5 and 9.3.

4.8 Draft reports, and the underlying research on which they are based, will be peer-reviewed by independent reviewers chosen by GIPSA. (See Paragraph 9, Performance Requirements, and Paragraph 11, Performance Standards, below.) GIPSA will arrange for peer reviews. Reviewers' comments will be provided to the Contractor. The identity of reviewers may not be included. Contractor shall modify its reports as appropriate based on reviewers' comments or provide written justification for not making the suggested changes.

4.9 Notwithstanding the provisions of H.2 or any other provisions of this contract, the Contractor shall not release any data, findings or reports, discuss the substance of the work, present seminars or speeches, or otherwise disseminate substantive information on the methods, data, and/or findings of any parts of the study prior to receiving written approval from GIPSA for public release. No information furnished to or generated by the Contractor in the performance of this contract shall be released to the public or to any other party without specific advance written approval by the COR. Criteria for approval will be the same as those for Final Project Reports (see Paragraphs 9.3 and 10.2 for review criteria). The Contractor shall review any data and findings proposed for release to assure that the data and findings do not reveal confidential or proprietary data or other information about any individual, individual business entity, or individual organization regardless of whether the individual, individual business entity, or individual organization is named, and shall submit the data, reports, speeches and other information proposed for release, along with the Contractor's disclosure analyses, to the COR for review. Other requirements for ensuring data security are specified in Paragraphs 7.1 through 7.5 below. Contractor shall submit the material to the COR in sufficient time to allow for considered review.

The Contractor, its officers, employees, and the officers and employees of any subsidiaries and affiliates who work on the study shall inform the COR when any reports or other public releases that are based on this study are published, and furnish a copy as published. Restrictions on release of confidential information shall continue indefinitely after Contractor has completed all

other work on the study. The COR will send a report to the CO, which facilitates the CO's application of clauses H.2 and H.4.

4.10 Contractor, its officers, employees, and the officers and employees of any subsidiaries and affiliates who work on the study shall include the following paragraph in any publication or public release resulting from work performed under this contract:

“This report is based on work performed under a contract with the Grain Inspection, Packers and Stockyards Administration (GIPSA), U. S. Department of Agriculture. The views and opinions expressed in this report do not necessarily reflect those of GIPSA or the U.S. Department of Agriculture.”

4.11 The study shall be completed within 24 months of entering into a contract, with individual draft reports provided according to the Schedule of Deliverables in Paragraph 10. If an offeror believes the offeror can complete the study more quickly, the offeror should indicate the shorter time and indicate what, if any, changes would be made to complete the study in less than 24 months. Should unforeseen events cause delays (e.g., legal challenges to data collection) in completing the study, GIPSA reserves the right to approve a different period of work as described in Paragraph 10.3, but the contract period shall not extend beyond September 30, 2007, under any modification involving extension of the period of work.

4.12 GIPSA may release the Contractor's reports and its own reports together or the Contractor's reports without release of its own reports. GIPSA retains the option to delay release of reports prepared by the Contractor until after GIPSA prepares and releases its own summary reports. Any summary reports prepared by GIPSA will acknowledge and attribute the work done by the Contractor.

4.13 Offerors are encouraged to form collaborative research relationships and utilize subcontractors if appropriate to address the objectives of the solicitation. Any proposed collaborators or subcontractors must be identified in the proposal. Contractor shall assume and exercise full responsibility for ensuring that any collaborators and subcontractors comply with all requirements of the contract between GIPSA and the Contractor, including but not limited to requirements related to deliverables, data security and confidentiality, and release of data and information. If multiple contracts are awarded for different species of livestock, GIPSA will consider permitting Contractors to enter into subcontracts for certain functions, e.g., survey and data collection. Contractor shall not enter into subcontracts or collaborative arrangements not identified in its contract with GIPSA without the advance written permission of the Contracting Officer.

4.14 Offeror may include qualified student assistants on project teams, but contract terms will not be modified to accommodate a student's course of study. Examples of changes that would not be approved include changes in research objectives, methodology, confidentiality restrictions, or early release of findings including seminars or other oral presentations. GIPSA cannot guarantee that data collected for the study will be made available after the completion of the study for additional analysis or to support publication efforts. Students, student advisors, and any reviewers who will be used by the Contractor will need to be identified and approved by

GIPSA prior to being given access to confidential data and other information that is subject to clearance by the COR.

## 5.0 TECHNICAL ENVIRONMENT

5.1 Research other than data collection, including analysis and interpretation, is primarily to be conducted on the Contractor's premises. The Contractor(s) shall furnish all personnel, office space, computer software and peripherals, equipment, supplies, tools, materials, and supervision necessary to complete analyses sufficient to meet the specific objectives set forth above. Travel will likely be necessary for data and information collection, e.g., visits to obtain data or interview representatives of business entities at various stages in the livestock and meat marketing system. Travel also may be necessary to consult with the COR or other representatives of GIPSA to discuss preliminary results, progress, and difficulties encountered on the project. The services provided by the Contractor shall include all costs associated with the performance of this contract, including but not limited to, labor, supervision, administrative, travel, and other services that may be necessary during the performance of this contract.

5.2 The Contractor shall provide GIPSA with information that identifies locations where work will be carried out, including the activities to be performed at those locations and the individuals engaged in those activities at those locations. Appropriate security procedures shall be implemented at any and all locations.

## 6.0 GOVERNMENT FURNISHED FACILITY/PLACE OF PERFORMANCE

It is expected that the Contractor's services will not require provision of Government facilities.

## 7.0 SECURITY REQUIREMENTS

7.1 All information produced from this study will be the property of GIPSA. The Contractor shall provide unlimited rights to the Government to all data (including raw data and data modified for analyses and modeling) and information produced, delivered, or otherwise used under this contract. The Contractor shall be responsible for properly protecting from unauthorized use, disclosure, or release all information used, gathered, or developed as a result of the work under this contract.

Data collected for the study will be used exclusively for statistical purposes as defined in the Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA). CIPSEA defines statistical purposes as the description, estimation, or analysis of the characteristics of groups, without identifying the individuals or organizations that comprise such groups. Data collected for the study under the authority of the Packers and Stockyard Act and data obtained through voluntary methods will be subject to CIPSEA. Officers and employees of the Contractor and any subsidiaries and affiliates who will have access to the data will be considered to be agents of GIPSA in conformance with the provisions of CIPSEA and shall be subject to the confidentiality provisions and penalties of CIPSEA. Contractor shall identify all individuals who

will have access to confidential data and information in any form. All persons who will have access to the data and information used for the study must be approved by GIPSA and sign a non-disclosure agreement in which they will be sworn to observe the confidentiality restrictions of the P&S Act, CIPSEA, and other applicable law. Willful disclosure of confidential data and information under CIPSEA is a class E felony and penalties include imprisonment up to 5 years and/or fines of up to \$250,000.

7.2 Confidential information, as used in this clause, means—

- (a) information or data of a personal nature, proprietary about an individual;
- (b) information or data, which is commercial or financial, and privileged or confidential, submitted by or pertaining to an organization;
- (c) any other information that would enable any person or entity to obtain or determine information or data of the type described in (a) and (b) about another individual or entity;
- (d) data and information collected either under the authority of the Packers and Stockyard Act or on a voluntary basis, which are exclusively for statistical purposes under a pledge of confidentiality, on individuals, businesses, and other organizations for the study;
- (e) Any aggregations, statistics, or analyses produced from such data and information in (a)-(d) that would reveal information about individuals, individual businesses, or individual organizations, regardless of whether the identity of the individuals, businesses, or other organizations are named or otherwise identified.
- (f) In addition to the types of confidential information described in (a) - (e) 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.

7.3 Notwithstanding the provisions of Section H.2 or other provisions of this contract, the Contractor shall protect any information or data obtained and/or used for this study by treating the information and data as CONFIDENTIAL when and as required by the provisions of this section (paragraphs 7.1-7.5 inclusive), without regard to whether the particular item or items of information or data have been explicitly designated as confidential by providers of the data or by GIPSA.

7.4 If information to be utilized is subject to the Privacy Act of 1974, 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.

7.5 Confidential information, as defined in 7.2 above, shall not be disclosed.

(a) 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 of 1974 or is confidential information subject to the provisions of this clause, the Contractor shall obtain a written

determination from the Contracting Officer and the COR prior to any release, disclosure, dissemination, or publication.

(b) The restrictions of the P&S Act and CIPSEA supercede any applicable State and local laws.

(c) The Contractor, its officers, employees, and the officers and employees of any subsidiaries and affiliates shall keep all information used in the study in the strictest confidence. The Contractor shall not publish or otherwise divulge such information in whole or in part in any manner or form, or 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 and other persons who have signed a non-disclosure agreement and who need 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's Representative in the event that the Contractor determines or has reason to suspect a breach of this requirement.

(d) Confidential data, previously acquired by the Contractor, shall be identified prior to use in any project under this contract and shall not be used unless approved by the COR (see Paragraph 4.5 above). If used, GIPSA will use its best efforts to protect the data from disclosure in any report or other release prepared by or for GIPSA.

(e) Confidential data and related documents stored in electronic media must be encrypted. Only those who sign the non-disclosure form shall have the password to access those data files and documents. All printed output of data, files, reports, and any other information shall be handled in a manner to ensure that only individuals who have signed a non-disclosure agreement have access to the material. Contractor shall take all steps necessary to assure that waste materials produced as part of this study are shredded, burned, or otherwise protected from unauthorized release.

(f) Any confidential data, reports, or information transmitted via electronic mail to GIPSA or among the Contractor's locations shall be similarly encrypted. The COR shall be provided the password for access to encrypted material upon request.

(g) Offeror's proposal shall provide a detailed description of the procedures that will be used to ensure conformance with these security requirements. The description shall include description of the features and capabilities of the offeror's computer system(s) that will be used to ensure security of data and offeror's plans and capabilities for ensuring physical security of printed output, reports, and other information

(h) GIPSA may at its discretion conduct on-site inspection of Contractor's implementation of security procedures.

(i) At the completion of the study and final acceptance by GIPSA of all deliverables, all data and information obtained for the study under the P&S Act or on a voluntary basis and any summaries or work products containing confidential data or information used in the study shall be returned to GIPSA. No copies of these data, information, or summaries shall be retained by Contractor,

its officers, employees, and the officers and employees of any subsidiaries and affiliates unless written authorization is granted by COR. Also see Section 9.6.

(j) The Contractor agrees to insert the substance of this Section in any consultant agreement or subcontract hereunder.

## 8.0 ACCESSIBILITY REQUIREMENTS

The methodology and documentation developed by the Contractor shall conform to the accessibility standards as required under Section 508 of the Rehabilitation Act of 1973, 29 USC S94d. For more information, go to [www.section508.gov](http://www.section508.gov).

## 9.0 PERFORMANCE REQUIREMENTS

All methodology, data, reports, and other documentation delivered under this contract shall remain the property of GIPSA. Documents shall be in Microsoft Word, version 7.0 (or higher), or in another format as may be mutually agreed. The contractor shall provide documentation in electronic format as well as three (3) printed copies.

9.1 Monthly and Quarterly Progress Reports: The Contractor shall submit to the COR brief Monthly Progress Reports and more complete Quarterly reports. Reports shall be received by the COR no later than seven (7) calendar days following the end of each calendar month during the contract period.

COR may grant Contractor written permission to submit progress reports on a less frequent basis, with due dates identified by the COR. Such permission shall be at the sole discretion of the COR, and may be withdrawn in writing at any time if in the opinion of the COR conditions require resumption of monthly progress reporting.

Reports shall include, but not be limited to, project accomplishments during the reporting period, discussion of progress relative to projected timeline, with explanation of variances from original contract dates, problems encountered during the preceding reporting period and steps taken to solve them, and planned activities during the next month or quarter.

The progress report shall be prepared in accordance with the following format:

- (a) A cover page containing:
  - (1) Contract number and title;
  - (2) Type of report, sequence number of report, and period of performance being reported;
  - (3) Contractor's name and address;
  - (4) Author(s); and

(5) Date of report

(b) SECTION I - An introduction covering the purpose and scope of the contract effort. This shall be limited to one paragraph in all but the first and final month's narrative.

(c) SECTION II - A description of overall progress and, in quarterly reports, a separate description of each task or other logical segment of work on which effort was expended during the report period. The description shall include pertinent data and/or graphs in sufficient detail to explain any significant results achieved.

(d) SECTION III - A description of current technical or substantive performance, and any problem(s) which may impede performance along with proposed corrective action.

(e) SECTION IV (quarterly reports only) - A planning schedule shall be included with the first progress report for all assigned tasks required under the contract, along with the estimated starting and completion dates for each task. The planning schedule shall be updated and submitted with each subsequent technical progress report, including an explanation of any difference between actual progress and planned progress, why the differences have occurred, and, if behind planned progress, what corrective steps are planned.

(f) SECTION V - If applicable, financial information shall be submitted for each major task or line item cost. Data shall include:

(1) The total estimated cost budgeted (fee excluded).

(2) The estimated cost expended during the current reporting period.

(3) Identification of direct labor hours of prime contractor and subcontractor(s) and/or consultant(s), if applicable.

(4) Total project to-date expenditures.

(5) Total remaining funds.

The COR shall review each Quarterly Progress Report to approve or disapprove the current status of work on the project as reflected in the report. Disapproval may be due to inadequate reporting, failure to maintain progress according to the timeline, or to other deficiencies in conduct of the project. If disapproved, the Contracting Officer shall, within seven (7) working days following such disapproval, convene a conference of the Contractor, the Contracting Officer, the COR, and other parties as designated by the Contracting Officer, to discuss and resolve project deficiencies.

9.2 Interim Progress Conference: An Interim Progress Conference will be called by the Contracting Officer approximately halfway through the contract period, to discuss project

progress, results, and direction. Additional conferences may be requested by either the Contractor or the COR to confer on project progress, results, or direction, and may be called at the discretion of the Contracting Officer.

9.3 Submission of Draft Final Project Reports: The Contractor shall provide a draft of the Final Project Report for each part of the study to the COR no later than the Draft Final Project Report due dates specified in Paragraph 10.2 below.

The COR will provide written/electronic comments from the peer reviewers and interagency Working Group members to the Contractor within 20 working days of receipt of the draft reports. The Contractor shall incorporate the reviewers' comments, or provide written comments justifying where comments were rejected, and send a revised draft final document to the COR within 15 working days for a second, and final, review by GIPSA's reviewers. The COR will provide written/electronic comments from GIPSA's reviewers to the Contractor within 20 working days thereafter.

If the draft final document includes confidential data or information as defined in Paragraph 7.2 above, the Contractor shall also prepare and submit a separate version that is suitable for public release. GIPSA shall review the report for conformity with non-disclosure requirements prior to public release, and GIPSA's determination shall be final. GIPSA's review will include the following guidelines:

- a. Any data aggregation must contain at least three firms, with no one firm accounting for a dominant share of the total value of a data cell (these are primary data suppressions);
- b. Complementary data suppressions must be made in other data cells if release of data in those cells could be used to reveal information contained in primary data suppression cells;
- c. The identity of firms grouped on the basis of economic criteria may not be revealed. For example, if one calculates a concentration ratio for the four largest firms, or if one sorts firms into groups on the basis of their sales or other measure of size, the names of the firms may not be released;
- (d) Information about individual firms may be suppressed through certain types of statistical and econometric analyses, although any parameter estimates, interactions among firms, or other information from such analyses that may permit someone to identify information about an individual firm or entity will need to be suppressed, regardless of whether the firm or entity is named or otherwise identified.

9.4 Submission of Final Project Reports: The Contractor shall incorporate GIPSA's reviewers' comments, or provide written comments justifying not making changes in response to the comments, and deliver 3 copies of the each Final Project Report to the COR no later than the date cited for each Final Project Report in Paragraph 10.2 below. Contractor shall also deliver electronic versions of each report, in Microsoft Word, version 7.0 (or higher), or in another format as may be mutually agreed. After the final reports are accepted as final by GIPSA and all data have been returned to GIPSA as described in Paragraph 9.6 below, the Contractor will be

considered as having completed the terms of the contract, except the confidentiality and information release provisions, which remain in effect indefinitely.

9.5 The Final Report for each part of the study shall include, but not be limited to:

- A. Cover and title page, to contain
  - Title
  - Contractor's name and address
  - Date
  - Submitted to Grain Inspection, Packers and Stockyards Administration, U.S. Department of Agriculture under Contract \_\_\_\_\_
- B. Table of contents
- C. Abstract page, to contain
  - Abstract
  - Name(s) and titles of researchers
- D. Table of contents
- E. Executive Summary

Main Body:

- F. Introduction
- G. Summary of Relevant Literature
- H. Research Design
  - Underlying theory, models, and concepts
  - Description of data collection plan, including sample design, data collection, data cleaning methods, treatment of outliers, etc.
  - Description of data collected, including individual data elements and characteristics of the data that relate to its quality and completeness
  - Description of statistical, economic, and econometric analyses and methods employed
- I. Results
  - Descriptive summaries of the data used in the analyses (e.g., number of observations, means, distributions)
  - Descriptive empirical results, including tabular summary findings
  - Statistical and econometric findings, including description of variables, estimated values and significance levels for models, results of statistical diagnostics, and prediction equations
  - Discussion of finding, including appropriate statements regarding qualifications and limitations of the findings
  - Conclusions

End matter:

- J. Glossary of technical terms and definitions of those terms
- K. Bibliography containing full citations for works referenced in the study
- L. Appendices of related or additional material too bulky or detailed to include in the main body.

If the report includes confidential proprietary data or information, a separate report suitable for public release also shall be prepared including the same format and content, but with information excised or rewritten to be consistent with GIPSA's confidentiality restrictions. GIPSA shall review and approve the report for conformity with non-disclosure requirements prior to public release and its determination shall be final.

A Final Report of Expenditures shall accompany the submission of the Final Project Report for the last part of the study (4.1.E above). The Contracting Officer and COR shall review the Final Project Report and the Final Report of Expenditures and, if approved, final payment, as provided in Paragraph 13.0 below, shall be made to the Contractor.

9.6 All data and documents, including memoranda, drafts, and any other information supplied by GIPSA, or obtained or prepared by Contractor for this study, are Government property and shall be delivered to GIPSA at the completion of the study. Contractor shall not retain or use such data or information without specific written approval by the COR. Except to the extent that Contractor has been granted written approval to retain data, Contractor shall certify to GIPSA that all data have been deleted from all storage media of Contractor and all project participants, and all copies of data and any summaries have been destroyed. Data shall be delivered to GIPSA in ASCII file format, as Microsoft Excel worksheets, in SAS data format, or in other format that is mutually agreeable to the parties. Documentation shall identify variables included in each dataset, file format including record length and variable order and spacing, number of records in each dataset, and any other information needed to read and understand what is contained in the files. Fields shall be of fixed length if data are transmitted in ASCII format.

## 10.0 PERIOD OF PERFORMANCE

10.1 Offeror shall include in the Technical Proposal a schedule of performance for completing the work to accomplish each part and complete all deliverables specified below. The schedule shall indicate the time required to complete each task included on the schedule in elapsed calendar months. The schedule shall include a detailed timeline for individual tasks necessary to complete each part of the study.

10.2 The Contractor's schedule of performance shall ensure that the Contractor provide to GIPSA all results, data, and other information specified no later than 24 months from date of the award. Draft Final Project Reports and Final Project Reports for individual components of the study shall be delivered according to the following schedules:

## Schedule of Deliverables

***Dates are preliminary, based on entering into a contract by March 1, 2004. Dates will be adjusted accordingly for a different contract start date.*** Offeror may combine parts of the study into different report groupings than those specified below, provided the reports meet the delivery schedule requirements.

### Draft Final Reports

Identify and classify spot and alternative marketing arrangements	Nov 2004
Terms and availability of arrangements, and why firms use them	Nov 2004
Extent of use, price differences, and short-run price effects	Nov 2005
Costs and benefits of various arrangements	Nov 2005
Summary and implications for the marketing system	Dec 2005

### Final Reports

Identify and classify spot and alternative marketing arrangements	Feb 2005
Terms and availability of arrangements, and why firms use them	Feb 2005
Extent of use, price differences, and short-run price effects	Feb 2006
Costs and benefits of various arrangements	Feb 2006
Summary and implications for the marketing system	Mar 2006

Contractor's reports shall be reviewed by GIPSA and shall be peer reviewed by reviewers selected by GIPSA. To the extent practical, Contractor will provide reports in suitable electronic form for GIPSA to distribute to reviewers. Reports will be evaluated on the basis of:

- Conformity with requirements of the contract
- Technical quality
- Objective findings and conclusions that do not go beyond the data and analyses used
- Compliance with confidentiality restrictions (publicly released reports)

## 10.3 GOVERNMENT RIGHT TO DELAY

GIPSA reserves the right to extend the period of performance due to occurrences beyond the reasonable control of the Contractor and without its fault or negligence such as acts of God or nature (e.g., fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather), and acts of individuals or business entities such as legal challenges to data collection. GIPSA also may extend the period of performance due to other circumstances that GIPSA determines justify delay in the best interests of the Government. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible setting forth the full particulars concerning any actual or anticipated delay that is not initiated by GIPSA.

## 11.0 PERFORMANCE STANDARDS

The following lists the standards and measurement of deliverables:

Deliverable	Standard	Method of Measurement
11.1	Contractor shall submit an acceptable Monthly and Quarterly Progress Report at the specified time.	COR will review each Monthly Progress Report within seven (7) working days of receipt and take approval or disapproval action on the Report.
11.2	Contractor shall submit data collection plans by date specified in approved plan of work.	COR will submit data collection plans to peer reviewers for comment and provide comments to the Contractor within ten (10) working days of receipt of the plans.
11.3	Contractor shall revise data collection plans as appropriate, and complete OMB clearance package by date specified in approved plan of work	COR will forward OMB clearance package for clearance.
11.4	Contractor shall participate in an Interim Progress conference, and other conferences called by the COR, and respond in writing to requested actions as specified by the COR.	The COR will review Contractor's responses to requested actions, and recommend action on the Contractor's responses to the Contracting Officer.
11.5	Contractor shall submit a draft Final Report to the COR by the date specified in Section B.2 of this solicitation.	The COR will submit the draft to reviewers for peer review and provide written/electronic comments from the reviewers to the Contractor within twenty (20) working days of receipt of the draft reports.
11.6	The Contractor shall incorporate the reviewers' comments, or provide written justification for changes not made, and send final documents to the COR, within fifteen (15) working days for a second review by GIPSA.	GIPSA will review the draft Final Reports and provide recommended changes to the Contractor with within twenty (20) working days.
11.7	Contractor shall submit Final Reports to the COR by the dates specified in Section B.2.	The Contracting Officer, in consultation with the COR, will review the Final Report for completeness of information specified in Section C.9.5, and Final Report of Expenditures, and take approval or disapproval action on the Final Report.

## Payment Incentives

Consistent submission of reports (Section B.2.1) that meet or exceed technical performance standards on or before submission dates qualify, subject to funding availability, for incentive awards not to exceed one percent (1.0 %) of the total contract award. Payment reductions for habitual inability (three or more instances) to meet reporting requirements may warrant reduction in payments not to exceed one percent (1.0 %) of the total contract award. Payment reductions are not a substitute action for situations in which the performance of a contractor is deemed negligent or otherwise warrants administrative action up to and including contract termination as described in Section I.

## 12.0 GOVERNMENT ROLES AND RESPONSIBILITIES

A. The Contracting Officer is the authorized point of contact on this project:  
The Contracting Officer will delegate contract administration responsibilities to the Contracting Officer's Representative(s) (COR).

The Contracting Officer is:  
Barbara L. Veres  
USDA, APHIS, MRP-BS  
4700 River Road  
Riverdale, MD 20737  
Phone: (301)-734-4703 FAX: 301-734-8871  
E-mail: Barbara.L.Veres@aphis.usda.gov

The designated COR is:

Gerald E. Grinnell  
Director, Economic and Statistical Support Staff  
Grain Inspection, Packers and Stockyards Administration  
Room 1642-S, STOP 3647  
1400 Independence Ave. SW  
Washington, D.C. 20250-3647  
e-mail to Gerald.E.Grinnell@usda.gov.

B. The COR is responsible for administering the performance of work under this contract. In no event will any understanding, agreement, modification, change order, or other matter deviating from the terms of this contract be effective or binding upon the Government unless a written modification is executed by the Contracting Officer.

C. The Contracting Officer shall be informed as soon as possible of any actions, or inactions, by the Contractor or GIPSA that will change the required delivery or completion dates stated in the contract. On all matters that pertain to contract terms and conditions, the Contractor shall communicate with the Contracting Officer.

D. When, in the opinion of the Contractor, the COR requests effort outside the existing scope of the contract (or delivery order), the Contractor shall so advise the COR. If the COR persists and there still exists a disagreement as to proper contractual coverage, the Contracting Officer should be notified immediately, preferably in writing if time permits. No action shall be taken by the contractor under such direction until the Contracting Officer has issued a modification to the contract (or in the case of a delivery order, until the Contracting Officer has issued a modification to the delivery order); or until the issue has been otherwise resolved. Proceeding with work without proper contractual coverage could result in nonpayment or necessitate submittal of a contract claim.

#### 13.0 FINAL PAYMENT REQUIREMENTS

Contracting Officer shall withhold twenty percent (20%) of the contract funds pending receipt and approval of the Final Project Report and the Final Report of Expenditures and compliance with Section 9.6.

#### 14.0 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at TIME on DATE at LOCATION. (Time, Date, Location to be determined.)

Potential offeror shall notify the Contracting Officer at (301)-734-4703 of their intent to attend. Questions concerning the solicitations shall be submitted in writing before the conference. Questions may be mailed to the Contracting Officer at the address in Paragraph 12 above or may be faxed to 301-734-8871, or sent via e-mail to [Barbara.L.Veres@aphis.usda.gov](mailto:Barbara.L.Veres@aphis.usda.gov).