SUBPART 9.1 – RESPONSIBLE PROSPECTIVE CONTRACTORS

(Revised August 30,, 2022 in accordance with DEVIATION 22-03)

Parent topic: PART 9 – CONTRACTOR QUALIFICATIONS

9.100 Scope of subpart.

The Defense Contractor Review List (DCRL) is an enterprise-wide tool for use by contracting officers to identify and communicate contractor performance, capability, and integrity issues for making determinations of responsibility and the effective administration of contracts. The DCRL has Special Attention Reason Codes that describe the basis for being on the list and Treatment Codes that provide recommended actions to contracting officers for mitigating risk. The DCRL includes contractors identified in SAM as debarred, suspended, proposed for debarment, or otherwise ineligible for award. SAM data takes precedence over DCRL data.

9.100-90 Business Decision Analytics (BDA) dashboard.

(a) The BDA dashboard is a decision support capability tool. It is available for use on an optional basis by contracting officers, acquisition specialists, product specialists, fraud counsel, and other personnel involved in the acquisition process. It identifies potential item, price, and supplier risk areas prior to award and recommends mitigation strategies to minimize these risks. It consolidates data from multiple sources (e.g., DUN and Bradstreet, Supplier Performance Risk System SPRS (formally PPIRS-SR NG), SAM, etc.) into one dashboard.

(b) Using the BDA dashboard does not reduce the contracting officer’s authorities or responsibilities. For example, contracting officers shall not (1) use BDA data as the sole basis for making determinations of responsibility or price reasonableness; or (2) use supplier risk data in place of the SPRS Delivery Score and Quality Classification. When evaluating acquisition risk, contracting officers should consider using the BDA dashboard as an additional source of information to help mitigate risks of suspect suppliers, potential overpayment, and procuring counterfeit and/or non-conforming spare parts. In the event of any data inconsistencies, the originating data source takes precedence over BDA data.

(c) Conditions when contracting officers should consider using the BDA dashboard include, but are not limited to—

(1) First time buys;

(2) Long time between procurements;

(3) Critical items;

(4) First article;

(5) Cases when prices have drastically increased;

(6) New suppliers; and/or

(7) Suspect suppliers.

(d) Contracting officers shall notify Office of Counsel (Procurement Fraud) and the DCRL Monitor of any suspect product or supplier activity for possible inclusion on the DCRL.

(e) Contracting officers shall document the contract file in Records Management.

9.104 Standards.

9.104-2 Special Standards.

Coordinate with the Food and Drug Administration (FDA) when developing special standards for drugs, biologics, and other medical supplies.

9.105 Procedures.

9.105-1 Obtaining information.

(S-90) When making determinations of responsibility, review the DCRL and comply with DCRL Special Attention Treatment Codes in Enterprise Central Component (SAP-ECC) and Supplier Relationship Management (SAP SRM/E Procurement).

(1) For the automated simplified purchasing process, the system checks the DCRL. An offeror debarred or suspended is deemed not qualified for award and not considered in automated evaluation. Low evaluated offers from offerors on the DCRL (for other than debarred and suspended) are rejected from the automated system for manual determination of responsibility.

(2) Contractors on the DCRL shall be considered for solicitation (except when the Special Attention Reason Code is “A” or the Special Attention Treatment Code is “08”).

(3) When the DCRL Special Attention Treatment Code description states “review Contractor Performance History,” request a Contractor Performance History.

(4) Confirm the information in SAM not more than four business days prior to award and document the contract file; except that contracting officers at DLA Maritime at Mechanicsburg, DLA Aviation Philadelphia DLR, DLA Land Warren, DLA Land at Aberdeen, and DLA Maritime at Norfolk Naval Shipyard have authority to confirm information in SAM not more than seven business days prior to releasing award in the Integrated Technical, Item Management and Procurement (ITIMP) contract-writing system in accordance with permanent DEVIATION 22-03.

(S-91) DCRL Monitors.

(1) Each Procurement Process Support Director shall designate a DCRL monitor. Referrals to the DCRL Monitor shall be for any of the reasons identified in the DCRL Special Attention Reason Code table below.

(2) DCRL Monitors shall review referrals for approval and execution of submission to add, amend, or remove a contractor to/from the DCRL in coordination with all DCRL Monitors. DCRL Monitors are responsible for maintaining the DCRL for their procuring organization and shall review the DCRL every month for currency.

(3) Contracting officers, product specialists or the Office of Counsel shall provide notification of contractor improvement and recommendation for DCRL removal to their DCRL Monitor if they become aware of circumstances that may warrant changes to the DCRL information.

(i) The contracting officer may discuss performance information included in the DCRL with prospective contractor(s). However, contracting officers must not discuss any information related to ongoing investigations of matters that potentially could result in Civil or Criminal False Claims Act litigation, or a suspension, notice of proposed debarment, or debarment action. “Investigations” would include those conducted by the Defense Criminal Investigation Service, the respective Military Services Investigation Agencies; the Federal Bureau of Investigation and any other Federal Investigative Agency. contracting officers should consult with their Office of Counsel’s Procurement Fraud Attorney if they have any doubt whether the release of information could potentially compromise the Government’s ability to conduct a confidential investigation.

(S-92) The DCRL Review Board. The DCRL Review Board is responsible for reviewing actions of the DCRL Monitors and ensuring the contractor listing is accurate and current.

(1) Membership consists of all DCRL Monitors, Fraud Counsel, DLA Logistics Operations Technical and Quality Division, and the DLA Acquisition Compliance, Policy and Pricing Division. The DLA Acquisition Programs Division will chair the board meetings. The Board shall–

(i) Meet quarterly.

(ii) Review the list of the current authorized DCRL contractor entries.

(iii) Resolve any concerns or questions pertaining to the DCRL purpose and processes for entry or removal of a contractor from the DCRL.

(iv) Publish and provide minutes from meetings to the DLA Acquisition Director and the HCAs not later than ten business days after the DCRL Review Board meeting.

(2) Contractors shall be removed from the DCRL when—

(i) The conditions that warranted their inclusion on the DCRL no longer exist or have substantially improved; and/or

(ii) The DCRL Monitor determines that information provided by acquisition personnel is not sufficient to justify retention of the contractor on the DCRL.

(S-93) The DCRL Special Attention Reason Codes and Treatment Codes.

(1) Recommendations/instructions are cited for each supplier/CAGE code listed and are to provide visibility of known/potential areas of concern and actions that shall be taken to address such issues. When a preaward survey (PAS) (see 9.106-2) results in a negative DCRL recommendation for a small

business who is the apparent successful offeror resulting in a negative responsibility determination, then an SBA Certificate of Competency is required. The only instances of “do not award” involve cases of debarment, suspension, and proposed debarment except as otherwise directed by the Fraud Monitor or Business Integrity (Fraud) Counsel.

(2) Special Attention Reason Codes. For DCRL Special Attention Reason Code A, the EProcurement “Debarment Status” field will be coded as: “D” for Debarment, a “P” for proposed debarment/suspension, or “S” for suspended.

DCRL Special Attention Reason Codes	Description	Help Text
A	Suspended or Debarred	Debarred, Suspended or Otherwise Ineligible This category includes firms or individuals that are ineligible for federal procurements due to a suspension, proposal for debarment or debarment pursuant to FAR 9.4.
B	Recommended for Debarment	Recommended For Debarment or Suspension. This category includes contractors that have been recommended for debarment or suspension. Although these contractors are not ineligible for award, follow the treatment code.
C	Responsibility Matters	Certification Regarding Responsibility Matters. This category includes contractors that have certified in accordance with FAR 52.209-5 that they have had a criminal conviction or civil judgment for fraud in the past three years or are currently indicted or otherwise criminally or civilly charged with fraud.
D	Termination for Default	Termination for Default. Contractors in this category have been terminated for default within the previous twelve months.
E	Financial Difficulties	Financial Difficulties (Including Chapter 11 Bankruptcy). Contractors are included in this category when information is received from DCMA or other sources that indicates the contractor is having financial difficulties. Such difficulties include contractor indebtedness that may jeopardize timely completion of the contract or contractor application for reorganization under bankruptcy laws (Chapter 11). Information may include formal bankruptcy notifications, or information informally obtained from credible sources.

DCRL Special Attention Reason Codes	Description	Help Text
F	Chapter 7 Bankruptcy	Business Closings (Including Chapter 7 Bankruptcy). This category includes contractors and individuals who have ceased business operations, are in the process of liquidating under bankruptcy laws (Chapter 7), or are otherwise going out of business.
G	Negative Preaward Survey	Negative Preaward Survey. Contractors are included in this category when a preaward survey (PAS) that recommends no award has been received within the last twelve months.
H	DCMA Imposed Corrective Action	DCMA Has Imposed Corrective Action. Contractors are included in this category when DCMA has found deficiencies in the contractors' quality system and has imposed a Corrective Action (CAR) Level III or IV Review.
I	In DCMA Delivery Schedule Manager	DCMA Delivery Schedule Manager. DCMA has relevant information concerning contractors in this category.
J	Delinquent Performance	Delinquent Performance. This category includes contractors that have exhibited a pattern of delinquencies.
K	“Buy-Ins” or “Bid Shopping”	"Buy-ins" and "Bid Shopping." This category includes contractors that have had excessive cancellations, price increases and requests for modification after award. These practices indicate a "buy-in", "bid shopping", or other unacceptable bidding practices. This code applies to contractors that: (1) "Bid shop after award" that result in frequent inability to furnish supplies in accordance with the quotation that led to the award. (2) Submit frequent requests for deviations or waivers, clarification, and substitution of part numbers, most of which lacks substance but prevents compliance with the original delivery date. (3) Frequently return purchase orders for price increase. (4) Frequently notify the contracting activity that it will not perform under purchase orders just prior to due date in an apparent effort to reduce its delinquency rate. (5) Frequently fail to accept bilateral or perform unilateral purchase orders.

DCRL Special Attention Reason Codes	Description	Help Text
L	Pricing Discrepancies	Pricing Discrepancies (Excessive prices). Contractors are in this category when information indicates prices may not be fair and reasonable.
M	Fast Pay Discrepancies	Fast Pay Discrepancies/Abuse Contractors are included in this category when there is evidence that a contractor is violating or has violated the Fast Pay procedure (e.g., contractor has invoiced the Government without shipping the supplies).
N	Potentially Defective Material	Potentially Defective Material. Any DoD component has issued notifications regarding potentially defective material supplied by contracts in this category.
O	Counterfeit Material and Unauthorized Substitution **DO NOT DISCUSS**	Counterfeit Material and Unauthorized Product Substitution. Contractors in this category are under surveillance by the Counterfeit Material/Unauthorized Product Substitution (CM/UPS) Team. **DO NOT DISCUSS**
P	Nonconforming Supplies **DO NOT DISCUSS**	Nonconforming Supplies. This category includes contractors for which evidence has been provided that a contractor has supplied nonconforming material, has supplied surplus material without quoting surplus material, has supplied foreign material without identifying country of origin, or has other questionable quality practices. **DO NOT DISCUSS**
Q	Failure to Provide Approved Part	Failure to Provide Approved Part. This category includes contractors that have a pattern of supplying unapproved parts or making an unauthorized substitution for CAGE code/part numbered items.
R	Miscellaneous	Miscellaneous (Other Information). This category serves as an informational category providing contracting personnel with current status of administrative changes, business closings, transfer of ownership, change of location, change of CAGE code, multiple contractors at the same location or any other information that may assist in the decision process. See the "Remarks" section of the DCRL for instructions.

DCRL Special Attention Reason Codes	Description	Help Text
S	Sensitive Information **DO NOT DISCUSS**	Sensitive Information. Specific instructions apply to contractors listed in this category. These instructions are not necessarily related to responsibility and the reason for placement in this category shall not be stated in the DCRL due to sensitivity. The "Remarks" section of the DCRL may contain a point of contact for information regarding these contractors. Sensitive information regarding these contractors shall not be disclosed to unauthorized persons. **DO NOT DISCUSS**
T	NIST SP 800-171	Contractors in this category have failed to upload a NIST SP 800-171 basic self-assessment score in the Supplier Performance Risk System (SPRS) in accordance with DFARS clause 252.204–7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, DFARS Provision 252.204-7019, Notice of NIST SP 800-171 DoD Assessment Requirements, and DFARS Clause 252.204-7020, NIST SP 800-171 DoD Assessment Requirements.
V	Suspected Fraud or Collusion	Suspected Fraud or Collusion/Deceptive Business Practices.
W	Combined CAGE Codes **DO NOT DISCUSS**	Combined CAGE Codes. Performance history for two or more CAGE codes have been combined for PPIRS purposes. **DO NOT DISCUSS**

(3) Special Attention Treatment codes.

DCRL Special Attention Treatment Codes	Description	Help Text
01	Reserved	Reserved
02	Evidence of PID MFR Part Number	For Part Numbered items, get evidence item was acquired from Manufacturer (MFR) cited in the Product Item Description (PID).

DCRL Special Attention Treatment Codes	Description	Help Text
03	Traceability requirements	For FSGs/FSCs/NSNs requiring additional risk mitigation and the offeror is not identified as an approved source, require the offeror to submit traceability documentation.
04	Withhold Fast Pay Recommended.	Withholding of Fast Pay recommended.
05	Recom PAS > SAT/ Verbal PAS or Vendor Capability Questionnaire (VCQ) < SAT.	Recommend Preaward Surveys for large buys/verbal preaward surveys and/or VCQ for simplified buys.
06	Fraud Monitor Coordination Required.	Forward any proposed awards through Fraud Monitor.
07	Source Inspection Recommended.	Source Inspection recommended (use of source inspection evaluation factor authorized after formal notification to contractor).
08	Do not solicit or award.	Do not solicit or award.
09	Review Contractor Performance History.	Review Contractor Performance History (CPH).
10	Report Suspect Material to Fraud Monitor.	Report suspected material problems to Business Integrity (Fraud) Counsel.
11	Coordinate with DCMA.	Coordinate with DCMA.
12	Corrective Action Report Level IV approval required.	CAR Level IV, approval required for award.
13	Bilateral Award Email to Fraud Monitor.	Bilateral Award – email contractor’s name and CAGE, contract/purchase order no., and NSN to Fraud Monitor.

DCRL Special Attention Treatment Codes	Description	Help Text
14	Coordinate Mods with Fraud Monitor.	Post award – Coordinate all administrative actions (modifications) with Fraud Monitor or Fraud Counsel.
15	Deter Resp/Nonresp required.	Prepare formal determination of responsibility/nonresponsibility.
16	CAGE Combined for SPRS Info.	This CAGE Code has been combined with other CAGE codes for SPRS purposes (For Informational Purposes Only).
17	Coordinate Cost and Price Office	Coordinate with Cost and Price Office
18	Report to Fraud Counsel.	Report to Business Integrity (Fraud) Counsel.
19	Coordinate with Office of Counsel.	Coordinate with Office of Counsel.
20	Refer to DCRL Narrative Detail.	Refer to DCRL Narrative for details.
26	Recommend price reasonableness.	Recommend documentation of price reasonableness.
27	Suspend automated awards.	Suspend from automated systems (case by case basis).

(S-94) Other Risk Indicators: Obtain additional information to make responsibility/nonresponsibility determination.

(1) Supplier Risk Indicators:

(i) No DLA history (new vendor);

(ii) Poor SPRS Score or no SPRS Score;

(iii) Poor Delivery Performance;

(iv) Poor Quality Performance (excessive PQDRs/SDRs);

(v) Negative Preaward Survey (PAS) within 12 months;

(vi) History of fraud or collusion;

(vii) History of providing non-conforming, defective products, or counterfeit items;

(viii) Terminated for Default for the same FSC/NIIN within 3 years;

(ix) Bankruptcy within last 3 years;

(x) DCMA Corrective Action Requests (CAR);

(xi) The offeror is on the SAM Excluded Parties List System (EPLS) within the last 3 years;

(xii) The offeror is currently showing signs of financial distress, or has a history of delinquent payments and /or financial difficulty;

(xiii) Manufacturer's CAGE identified in offer differs from CAGE code of the approved manufacturing source in solicitation;

(xiv) The offeror is reluctant or unable to provide traceability documentation;

(xv) The offeror's phone number, address, e-mail, or other vital information is missing, invalid, or suspicious;

(xvi) The offeror is a dealer but identifies itself as the manufacturer; and/or

(xvii) The offeror is a manufacturer, but its place of business is in a residential neighborhood.

(2) Price Risk Indicators:

(i) The price offered is lower than price of approved source or its authorized distributor;

(ii) The price offered is out of line with other offers or past pricing history; and/or

(iii) The price offered for new product is lower than price offered for surplus material.

(3) High Risk Item with technical data package (TDP) and no record of successful performance in the FSC (e.g., critical safety, ALRE, complex TDP, FAT).

(S-95) Consider contract risk mitigation when a contractor can be determined responsible but risk factors are present.

(1) No Fast Pay.

(2) Bilateral Purchase Order.

(3) Code and Part Number Buy: Request Traceability Preaward and Post-Award.

(4) Specification/Standard/Drawing buy: Require source inspection (if appropriate), no COC, require PVT.

(5) Super Key Item Drivers with FAT: Split award between proven (waived) and unproven sources.

(6) Request the product specialist to prepare a Quality Assurance Letter of Instruction (QALI) when

additional instructions or guidance are required on source inspection.

(S-96)(1) Business decision analytics (BDA) job aids. The following job aids and training material can be viewed online:

BDA Item Model Job Aid

BDA Price Model Job Aid

BDA Supplier Model Job Aid

CAGE Compromised Job Aid (General Counsel and other designated users only)

(2) Select the following:

(i) DLA Enterprise Business Portal (https://pep1.bsm.dla.mil/irj/portal);

(ii) DLA Enterprise Business Portal (https://pep1.bsm.dla.mil/irj/portal);

(iii) (EBS Online Help),(https://dlamil.dps.mil/sites/P1/ebs/Pages/ONLINEHELP.aspx);

(iv) EProcurement (https://dlamil.dps.mil/sites/InfoOps/Shared%20Documents/Forms/AllItems.aspx?RootFolder=%2Fsites%2FInfoOps%2FShared%20Documents%2FEBS%20ONLINE%20HELP%2FePROCUREMENT&FolderCTID=0x012000D3D259D71343A94E992AA17310CB0231);

(v) Business Decision Analytics (BDA) (https://dlamil.dps.mil/sites/InfoOps/Shared%20Documents/Forms/AllItems.aspx?FolderCTID=0x012000D3D259D71343A94E992AA17310CB0231&viewid=bb1b25a6%2D56d8%2D4398%2Dac48%2D5f987c946cca&id=%2Fsites%2FInfoOps%2FShared%20Documents%2FEBS%20ONLINE%20HELP%2FePROCUREMENT%2FBDA); and

(iv) BDA Supplier Risk Analysis by CAGE Code Model Job Aid (https://dlamil.dps.mil/:w:/r/sites/InfoOps/_layouts/15/Doc.aspx?sourcedoc=%7BAA99BEB2-862B-42F2-A7E5-4DE86099455E%7D&file=BDA%20Supplier%20by%20CAGE%20Job%20Aid%20-%20Procurement.doc&action=default&mobileredirect=true).

9.106 Preaward surveys.

9.106-2 Requests for preaward surveys (PAS).

(a) Requests for a formal PAS shall be forwarded to the PAS monitor. Informal PAS may be requested by telephone or email to the DCMA PAS Manager/Quality Assurance Representative (QAR). Procuring organizations that use PAS will designate an organizational element to serve as the focal point for PAS and to be the principal point of contact with PAS monitors at surveying activities. The focal point will review formal PAS requests for completeness and accuracy before forwarding these requests to surveying activities. The PAS Monitor shall:

(1) Send the completed report to the contracting officer for placement in Records Management.

(2) Send all formal PAS documentation regarding a company's quality control (if information is included in the survey results) to the product specialist.