13.106-3 Award and documentation.

(a) *Basis for award*.

(1)(S-90) Contracting officers shall use the PRC codes in 15.406-3 Documenting the negotiation.. Contracting officers at DLA Aviation, DLA Land and Maritime, and DLA Troop Support shall document the PRC in the Simplified Acquisition Award Documentation (SAAD) format at 53.9013 Simplified acquisition procedures.. Contracting officers at DLA Distribution, DLA Disposition Services, DLA Contracting Services Office, DLA Strategic Materials, and DLA Energy shall document the PRC in the Alternate SAAD format at 53.9013 Simplified acquisition procedures..

(S-91) When evaluating the price of an item with a single manufacturing source (also referred to as original equipment manufacturer (OEM)), the contracting officer may determine the price is competitive for awards not exceeding the SAT when—

(A) There are offers from at least two distributors for the same sole source OEM item; and

(B) The sole source OEM did not submit an offer; and

(C) The contracting officer determines—

(1) The offered prices are independent (see 13.106-3 Award and documentation.; and

(2) The otherwise successful offeror's price is not unreasonable (see FAR 15.403-1(c)(1)(i)(C)). To determine whether dealer competition may be adequate to establish the fair and reasonable price objective, the contracting officer shall compare the proposed prices received in response to the solicitation. In addition, except for first time acquisitions, the contracting officer shall document in the contract file any difference between the current low evaluated price and the prior price paid. The contracting officer shall determine the difference between the current low evaluated price and the prior price paid after adjusting the prior price paid in accordance with FAR 15.404-1(b)(2)(ii). If the current low evaluated price is significantly higher than the prior price paid, the contracting officer shall utilize another price evaluation technique at FAR 13.106-3 or FAR 15.404-1 to establish the fair and reasonable price objective.

(S-92) Contracting officers shall consider the OEM strategy for selling or distributing products when determining whether prices are independent.

(A) The following OEM strategies indicate the pricing is not independent:

(*1*) Selling direct to all customers when the OEM competes directly with a dealer or distributor;

(*2*) Selling through its own financially-affiliated network of dealers or distributors; or

(*3*) Entering an exclusive dealer or distributor relationship.

(B) If the OEM sells to multiple independent dealers or distributors that are not financially affiliated, this may indicate pricing is independent.

(S-93) The contracting officer shall use "B" in the second position of the PRC (see 15.406-3 Documenting the negotiation.) for awards not exceeding the SAT when there is a single manufacturing source and the contracting officer based the determination of price reasonableness

on independent price competition.

(b) File documentation and retention. Contracting officers shall document the basis for award for all simplified acquisitions. Contracting officers at DLA Aviation, DLA Land and Maritime, and DLA Troop Support shall use the SAAD format at 53.9013 Simplified acquisition procedures.. Contracting officers at DLA Distribution, DLA Disposition Services, DLA Contracting Services Office, DLA Strategic Materials, and DLA Energy shall use the Alternate SAAD format at 53.9013 Simplified acquisition procedures.. The basis for award includes the best value trade-off determination required when awarding to other than the lowest price/highest SPRS rating (or to other than the lowest price/highest scored when using FAR 13.5 or when other evaluation factors apply); and the price reasonableness determination. Each procuring organization may add standardized supplemental information only by appending it at the end of the SAAD or the Alternate SAAD format, in order to foster uniform presentation across the Agency. Contracting officers shall also confirm the prospective awardee is not debarred, suspended, or proposed for suspension/debarment. Contracting officers shall retain the SAAD or the Alternate SAAD in the contract file.

Parent topic: SUBPART 13.1 – PROCEDURES