

Delivery Order Guidelines



National Institutes of Health Information Technology Acquisition and Assessment Center (NITAAC) | Electronic Commodities Store III (ECS III)

Contains Procedures for Using the ECS III Contract

www.nitaac.nih.gov (888) 773-6542 NITAACSupport@nih.gov

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1. GENERAL INFORMATION ON THE ECS III CONTRACT

1.1 Overview

NITAAC's ECS III contract provides federal government agencies and the Department of Defense (DoD) with a full range of commercial off-the-shelf (COTS) hardware, laptops, peripherals, telecommunications equipment related to telephony, research workstations, software (including operating systems), and related warranty, maintenance and support services.

There are 57 prime contractor holders available on ECS III to meet customer IT needs. The full list of prime contractors and their web sites is provided at the official NIH NITAAC web site at <http://www.nitaac.nih.gov/>.

The ECS III RFQ system is an Internet-based ordering and tracking system, providing customers with an integrated platform for efficiency and total streamlining of the procurement process. Look to these Guidelines for updates of this system as it evolves.

Products and support services on the ECS III contract are organized into six (6) Lots:

- Lot 1: Commercial desktop, laptop and handheld computing devices (including peripherals), workstations, software and networking equipment
- Lot 2: Commercial telecommunications equipment items related to telephony (including, but not limited to network routers, switches, repeaters and cabling)
- Lot 3: Scientific research workstations, and other electronic devices and systems
- Lot 4: Software (including operating systems)
- Lot 5: Warranty and maintenance services
- Lot 6: Support services

1.2 Contract Structure

The ECS III contract is an Indefinite Delivery Indefinite Quantity (IDIQ) vehicle utilizing Fixed Price (FP) Delivery Orders (DOs). The contract period is ten years from 11/27/2002 – 11/26/2012.

1.3 Contract Access Fee

All customers are assessed a ½% processing fee on the order amount for each individual delivery order, modification or exercise of an option.

1.4 Minimum and Maximum Delivery Order Amount

NITAAC has established minimum and maximum dollar amounts for new DOs:

Minimum Orders: Contract holders are not required to fill DOs for less than \$100.00.

Maximum Orders: Consistent with the terms of Federal Acquisition Regulation (FAR) 52.216-19, Order Limitation, the contract holder is not obligated to honor:

- a. Any order for a single item in excess of \$20 million
- b. Any order for a combination of items in excess of \$30 million
- c. A series of orders from the same customer within three business days that together call for quantities exceeding (a) or (b) above

1.5 Charting the Delivery Order Process

Figure 1 charts the process flow for DO issuance from initiation of the requirement through DO closeout. A detailed description of the process activities occurring from requirements definition through contractor fulfillment can be found in following sections.

ECS III has an e-ordering system that supports customers from the definition of requirements for the Request for Quote (RFQ), through the award of an order to a contract holder. The *Quick Guide* provides a quick start overview for submitting RFQs in the *ECS III Quoting System* (<http://nitaac.nih.gov/nitaac/ecsiii-quick-guide>).

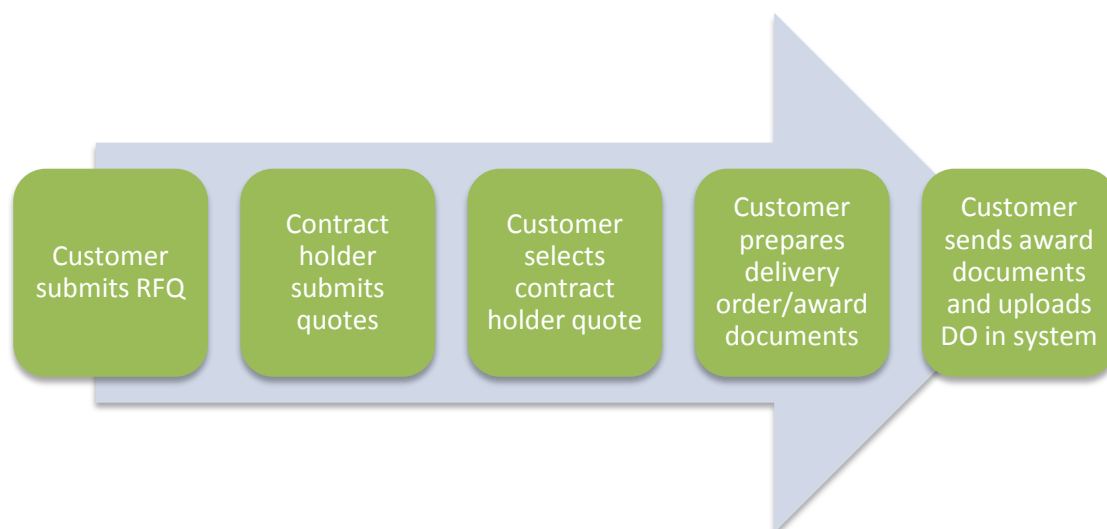


Figure 1: The ECS III Ordering Process

2. SUBMIT RFQ

2.1 Accessing the ECS III Quoting System

The ECS III Quoting System can be accessed by clicking on the [Compete and manage requirements here...](#) link under on NITAAC's home page at www.nitaac.nih.gov, and then clicking on [Log into RFQ System](#). Customers can register to use the system by clicking on *New User Registration* under the *Federal Customers* header on the left. Once registered, the customer can immediately log into the system and begin creating RFQs.

2.2 Creating the RFQ

After logging into the ECS III Quoting System, customers prepare the RFQ in accordance with FAR and agency procedures. First, select the Lot or Lots that the requirements fall under as defined by the scope of the COTS items and related services in section 1.1 of this document. FAQs describing examples of ECS III products and services can be found at <http://nitaac.nih.gov/nitaac/faq/ecs-iii-frequently-asked-questions-and-instructions>.

Next, enter requirements information and attach any additional documents needed to further explain the requirement such as a detailed requirement specification or Security Attachment. Lastly, submit the RFQ and receive an RFQ number from the system.

- Exceptions to Fair Opportunity to be Considered - If the customer determines that one of the exceptions at FAR 16.505(b)(2) applies, he/she is responsible for documenting the rationale for the exception and obtaining sign-off by the customer Agency Contracting Officer (CO) or other designated agency official. The exception and rationale are captured by the system and can be printed for the customer's official DO file.
- If none of the exceptions at FAR 16.505(b) (2) apply, the fair opportunity to be considered process requirements shall be deemed to have been met if the customer does one of the following:
 - Considers the products and prices of all of the ECS III Prime Contractors that offer the ECS III Lot(s) covered by the customer's delivery order requirement.
 - Uses the NITAAC ECS III Quoting System to initiate the RFQ. (The Quoting System automatically releases the RFQ to contractor holders offering the Lot(s).)

2.3 System Distributes the RFQ

The Quoting System automatically disseminates the RFQ to all the ECS III contractor holders who can provide the requested product(s). To ensure fair opportunity, RFQs are sent to all qualified contract holders in the selected Lot(s).

2.4 Security Documentation

Security documentation should be prepared in accordance with customer agency policy and guidelines.

2.5 Section 508

When federal departments or agencies develop, procure, maintain, or use Electronic and Information Technology (EIT), Section 508 of the Rehabilitation Act of 1973 is applicable. It requires that federal agencies ensure that their EIT allows federal employees and/or members of the public with disabilities to have access to and use of information and data that are comparable to the access and use by those without disabilities.

3. OBTAIN QUOTES

After RFPs are disseminated, contractor holders respond to the RFQ by entering their quotes or a "No Bid" response. To review quotes, log into the system and select *Manage My RFQs*. All open RFQs and responses received are displayed. Click the desired *RFQ Number* to review quote details.

4. SELECT CONTRACTOR

To make an award, review the quotes submitted and make a final decision based on either price or best value. Before making a final selection, print out all quotes received for the purchasing file. To select the winning contractor, click the *Vendor Quote Details* link for the chosen quote, then click the *Select this Quote* button to complete the order. The ECS III Quoting System automatically assigns an ECS III Tracking Number, which must be noted on the delivery order. Once the delivery order is prepared, you can upload it into the system by clicking *Upload Delivery Orders* on the *Request for Quote* drop down menu.

4.1 Evaluating Quote for Best Value

DOs placed against ECS III utilize the "*best value*" approach to determining the awardee. This means that low price does not have to be the only criteria considered in source selection. As a part of determination of best value, customers may choose to review the delivery terms and may attempt to negotiate delivery schedules with the offering contractor holders. Additional criteria, such as the quality of products or services and past performance, may be key factors in determining which contract holder offers the best value to the Government. (See FAR 15.1)

FAR 15.304 details the evaluation factors and significant subfactors that apply to acquisition and their relative importance. The solicitation record must, at a minimum, state any factors that affect the contract award and their relative importance. If cost or price is not the primary factor, the solicitation record must state whether all evaluation factors other than cost or price, when combined, are:

- (1) Significantly more important than cost or price;
- (2) Approximately equal to cost or price; or
- (3) Significantly less important than cost or price.

The Quoting System supports documentation requirements by allowing customers to print quotes and any exception justifications that may be applicable. Customers have a responsibility to keep this documentation in the official DO file. The customer may also print a Best Procurement Approach Determination document for the DO file.

4.2 Selecting the Contractor in the Quoting System

Once a best value decision is made, select the winning quote. The Quoting System will assign an ECS III Tracking Number, which is promptly e-mailed to the customer and the contractor holder. **This NITAAC number must appear on the customer DO documentation** – the awardee cannot process an order without it.

5. PREPARE AND TRANSMIT FUNDING DOCUMENT AND DELIVERY ORDER

Once the customer has received an ECS III Tracking Number, prepare the appropriate documentation according to agency policies to place the order and initiate funding. The Agency CO or other designated agency official authorized to obligate government funds must sign/approve each DO. .

Create the purchase/delivery order by using the winning contractor's ECS III contract number. **The DO must include the ECS III Tracking Number and the contractor's ECS III Contract Number.** Fax a copy of the DO and the funding document to the awardee. The following subsections give guidance on the details of placing the order.

5.1 Order Completeness Checklist

All orders must include the following information:

- ✓ ECS III Tracking Number
- ✓ Contractor Name
- ✓ NITAAC Contract Number (Optionally, the PIID may also be included.)
- ✓ The customer's delivery or purchase order #
- ✓ Order date
- ✓ Points of contact for DO issues and billing
- ✓ CLIN numbers(s) for the item(s) ordered with description(s)
- ✓ Amount of funds obligated for each CLIN and for total obligation
- ✓ Appropriation/funding citation

- ✓ Billing address and delivery address
- ✓ Signature of the Agency Contracting Officer or other designated agency official

5.2 ECS III Contract Reporting Identifiers

The ECS III Contract Number (formatted as HHSN2639999#####) and is used by the Contractor to identify itself to Customers on all quotes, invoices, and correspondence with the NITAAC contracting/administrative staff. The Federal Procurement Data System – next generation (FPDS-ng) and Electronic Subcontracting Reporting System (eSRS) utilize the Procurement Instrument Identifier (PIID) as the unique identifier for each contract. This PIID Number can also be used by Customers to report Contractor Past Performance information in the Contractor Performance Assessment Reporting System (CPARS), Past Performance Information Retrieval System (PPIRS), etc. The PIID numbers on ECS III are not the same as the ECS III Contract Number. A crosswalk between the PIID Numbers and the ECS III Contract Numbers are available on the NITAAC website at http://nitaac.nih.gov/nitaac/sites/default/files/Products_PIID.pdf.

5.3 Monitor DO Progress and Prepare Past Performance Evaluations

5.3.1 Day-To-Day Monitoring

The customer provides "front-line" day-to-day monitoring of the DO during execution. The customer Contracting Officer Technical Representative (COTR)/Project Officer and CO are responsible for monitoring and assessing the contractor's DO performance using any subjective or objective measures available to assure timeliness and quality of deliverables. Subjective measures that affect performance include cooperation, problem solving, problem avoidance, maintaining correct staffing levels, adopted efficiencies, effective use of office and communication tools, reporting, etc. The customer may use these measures to complete the past performance interim and final evaluation of the contractor's performance for each DO.

5.3.2 Acceptance of Deliverables

The customer's COTR is responsible for inspection and acceptance of DO deliverables. Rejected deliverables must be documented in writing to the contractor holder, with recitation of the requirement and factual statements of how the contract holder failed to meet these requirements. The COTR and CO should take rejection of deliverables into account when preparing past performance evaluations.

If a Delivery Order Security Attachment was required and prepared, verify that contractor employees obtain security training and successful background investigations as specified. Also, have contractor employees execute the *Commitment to Protect Non-Public Information Contractor Agreement* if required for execution of the work, i.e. the order involves circumstances where the contractor will develop or have access to a federal automated information systems or sensitive information/data.

5.3.3 Acceptance of Invoices

The customer is responsible for reviewing and accepting invoices submitted by the contract holder for each DO. Verify that all items invoiced were received and ensure this review and acceptance is documented in the DO file. Payment to the contractor by the customer should include the ½% contract access fee.

5.3.4 Past Performance Evaluations

Standard past performance evaluations are used for all ECS III DOs to monitor and record overall performance of each contract holder. The Customer's COTR is responsible for completing past performance evaluations of the Contractor as required by the FAR (See FAR Subpart 42.15 Contractor Performance Information). (Past Performance Evaluation forms can be found at the NITAAC website: http://nitaac.nih.gov/nitaac/sites/default/files/ecs3_cvik_forms.pdf).

Past performance information for NITAAC contract holders is available to all government agencies through the Past Performance Information Retrieval System (PPIRS), and can be used as a source of information for evaluation of contractor past performance for future DO opportunities. Contract holders can view their own information through PPIRS as well. For more information about the Past Performance Information Retrieval System (PPIRS), go to <http://www.ppirs.gov>.

5.3.5 Delivery Order Modifications

DO modifications are generally made to correct oversights or changes in conditions from the original DO. **DO modifications must cite the original ECS III Tracking Number assigned by the ECS III Quoting System.** COs can send a copy of any DO modifications to the Finance Team at ecsiii@od.nih.gov or via fax at (301) 435-8486. The following procedures will apply to DO Modifications:

a. No Cost Modifications

No cost modifications will be processed directly by the customer without participation by NITAAC.

b. Addition of Funds

The NITAAC Finance Team must receive a copy of any DO modifications that involve an addition of funds that were contemplated and described in the original DO (e.g., exercise of options). The NIH ½% processing fee (of the amount obligated on the DO modification) must be included in the modification (i.e., the funding document/order) amount and may be separated out as a separate line item.

c. Decrease of Funds

If there is a modification to the DO that decreases and/or offsets previous items, the NIH Processing Fee is not refunded or reduced.

d. Additional Items

Addition of items to a DO is prohibited. If more items must be ordered, a new DO must be generated using the ordering process cited in these *Guidelines*.

6. DELIVERY ORDER CLOSE OUT

When DO performance is complete, the COTR and the CO or AMO sign the acceptance of the final product or completion statement, ensuring that all DO requirements were met; e.g., all deliverables were received on time and were tested/accepted or Government Furnished Equipment/Government Furnished Information (GFE/GFI) have been appropriately distributed, etc. The contract holder submits the final invoice to the COTR and CO or AMO. The final invoice must include a statement that it is the final invoice and that all costs have been accounted for and billed.