AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		2

2. AMENDMENT/MODIFICAITON NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicble)
0002	04/22/09		

6. ISSUED BY CODE SP3100

Defense Distribution Center
Acquisition Operations, J-7
J Avenue, Bldg 404
New Cumberland, PA 17070

7. ADMINISTERED BY (If other than Item 6) CODE SMCADM

POC: SHANE CRUSEY
717-770-4425 (P)
717-770-5689 (F)
SHANE.CRUSEY@DLA.MIL

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

CODE FACILITY CODE

(X)

9A. AMENDMENT OF SOLICIATION NO.

✘ SP3100-09-R-0004

9B. DATED (SEE ITEM 11)

03/17/09

10A. MODIFICATION OF CONTRACT/ORDER NO.

10B. DATED (SEE ITEM 11)

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a)By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPIRATION DATA (If required)

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

See page 2.

Please sign and return this SF 30 cover page of Amendment 0002 as part of your proposal submittal.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		Medard R. Kowalski III	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

a. The purpose of this amendment is to incorporate the following changes into the solicitation:

	DELETE	REPLACE WITH
Section L	Entire	Section L Conformed through Amendment 0002
Section M	Entire	Section M Conformed through Amendment 0002
Attachment J.2	Entire	Attachment J.2 Conformed through Amendment 0002
Technical Exhibit 1.2	Entire	Technical Exhibit 1.2 Conformed through Amendment 0002
Technical Exhibit 5.1	Entire	Technical Exhibit 5.1 Conformed through Amendment 0002

b. All revised sections are identified by the annotation "Conformed through Amendment 0002" in the header or footer of each page.

c. Narrative changes to MS Word and Adobe Acrobat documents are identified by change bars in the right hand margin across from each paragraph that has changed.

d**. This amendment extends the proposal due date from 2:00 p.m. eastern local time on 01 MAY 2009 to 2:00 p.m. eastern local time on 05 MAY 2009.**

e. The Attachment (1) Word Table to this Amendment provides a summary of changes to assist the offeror in understanding how the solicitation has changed.

f. All other solicitation terms and conditions remain unchanged.

		LANGUAGE
SECTION	**PARA/ITEM**	
Section L	L-17, item 2	2. **The hour and date for receipt of offers is 2:00 p.m. eastern local time on 0~~1~~5 May 2009.** **HARD COPY OFFERS MUST BE RECEIVED IN THIS OFFICE BY THIS DATE AND TIME. Facsimile and email submissions of proposals will not be accepted.**
Section L	L-18, Vol. 2, Section 3, para 3 (b)	b. Transition /Phase-In and Phase-Out Plan: The offeror shall provide a Transition/Phase-In and Phase- Out plan in accordance with Section C.1.9 of the PWS. Offerors shall provide a detailed description of the actions that will be established to aid in a smooth transition to offeror operations and phase out of those operations at a conclusion of operations. The offeror's plans shall set forth actions, plans, procedures, and time-lines necessary to ensure a smooth transition/phase-in to full operational status and transfer of operation to another entity, government or contractor. Phase-In shall begin on the effective date of contract and shall not exceed ~~15~~ 9 months. Phase-Out from operations shall include the final 90 days of contractor operations. At a minimum, the Transition/Phase-In/Phase-Out Plan shall include:
Section L	L-18, Vol. 3, item 3, pg. 74	(3) Attachment J.1 provides the Past Performance Questionnaire. Offerors and all major subcontractors shall send this questionnaire to previous customers of relevant prime and subcontracts. All questionnaires shall be sent by the proposal due date and time identified in L-17, #2 . All previous contracts the offeror utilizes for Questionnaire information must be contained in the Previous Contract Data index for the offeror/major subcontractor. The offeror/major subcontractor shall complete Part I of Attachment ~~J.4~~J.1 prior to submitting the questionnaire to the customer. The offeror/major subcontractor shall ask the customer to complete the questionnaire and return it directly to the Contract Specialist identified in Part III – RETURN INFORMATION of the questionnaire. Evaluation members may contact the named individuals to clarify, obtain additional information, or conduct a telephonic survey of past performance. As such, the offeror/subcontractor shall provide a list of all Questionnaires submitted that provides the following information: – Name of the customer/agency; – Date submitted to customer/agency; – Contract/Purchase Order Number – Customer points of contact (minimum of two, provide name, telephone number, fax number and e-mail addresses) and; – Whether the offeror/major subcontractor was a Prime or Subcontractor.
Section L	L -18, Vol. 4, pg. 78	SUMMARY TABLE | TRANSITION PERIOD / TOTAL CONTRACT CLIN 0001 – PRIME LABOR PHASE-IN COSTS | CLIN 0001 – SUB LABOR PHASE-IN COSTS |

		CLIN 0001 – TOTAL ESTIMATED LABOR COSTS AWARD FEE DOLLARS (__2__%)* TOTAL ESTIMATED COST PLUS AWARD FEE
Section M	M-3, Factor 3, subfactor a	The offeror's proposal will be evaluated on the extent to which the actual facility demonstrates a sound technical approach including the advantages of the physical characteristics of the facility in terms of: size, type construction, electrical power, lighting, AC, loading docks, access doors, arrangement and number of storage aids, MHE, MME, fire suppression equipment and a description of how the physical structure and location proposed will be utilized to meet all requirements of the solicitation. This evaluation criteria applies only to the Government's minimum physical space requirements at time of award which consists of the following; 1.5 million square feet of indoor space; 1 million square feet of outdoor storage space and; 40 thousand square feet of government office space. The results from an on-site Government conducted site assessment survey will be evaluated as part of the offeror's technical proposal. A check list is attached at Section J-3 of this solicitation to provide offerers the criteria the team of government personnel conducting the site assessment survey will be evaluating. To be acceptable, at the time of the site assessment survey using the checklist, the ~~physical structure of the~~ offeror's facilities must be ~~100~~95% complete and the ~~infrastructure~~contents required to be incorporated in to the facilities (see Section C.1.9.1.4) must be 85% complete. ~~with 100% of the infrastructure~~The remaining 15% of the contents required within the facilities shall be completed ~~at~~by time of award.
Attachment J.2	1.4.4. Personnel Clearance	1. ~~Name check s~~Search against the Federal Bureau of Investigation (FBI) Terrorist List~~FBI Investigations Files~~ 2. ~~Name search against the Terrorist Screening Database~~ Search against Office of Foreign Control (OFAC) List 3. ~~Database s~~Search of~~on the~~ Foreign Nationals Sanctions List 4. ~~Database s~~Search on ~~the A~~all U.S. Federal/State/Local Fugitive List 5. Search of local law enforcement ~~C~~criminal records~~check with the local agencies~~ in TCN's~~the subjects~~ country of citizenship/origin 6. ~~Name check~~Search against the European Union Terrorism List The Contractor shall maintain a log of the status of the background checks and provide to the KO or designee bi-weekly during the phase-in period. The Contractor shall provide the final background check investigation documentation for each employee IAW TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements to the KO or designee upon completion of the investigation. The Contractor shall submit a Contractor Investigative Request (CIR) and a DD Form 2875 (See CIR and System Authorization Access Requests document in Technical Library) with the completed investigation documentation. (see paragraph C-1.4.4 Personnel Clearance).

Attachment J.2	3.5 Government-Furnished training	1. The Contractor shall participate in the DDC Distribution Logistics (SWARM) Training Program. Training includes the following courses: (a) Cold Chain Management (b) Inert Certification (c) Packaging and Handling ESDS (d) SWARM 1-Warehousing (e) SWARM 2-Inventory (f) SWARM 3-Receiving (g) SWARM 4-Shelf Life/COSIS/Stock Readiness (h) SWARM 5-ISDR (i) Processing FMS Shipments (j) Storage and Handling of Classified Material (k) Weight and Cube-Top 100 (l) UN Conformance Packaging 2. Contractor employees shall complete mandatory distribution functional training within 90 days of employment and mandatory repeat training biennially (See TE 3.9 Government-Furnished Training for mandatory training). If an employee performs multiple distribution functions (e.g., receiving, warehousing, inventory, and stock readiness etc.), the employee shall complete ~~the~~ an open-book final assessment at the completion of each training session.~~mandatory training for each distribution functional area for which they are performing the requirements in Section C-5. The employees shall complete an open-book test at the completion of each training session.~~ A passing score of 75% is required to receive a certificate of completion. If the employee does not obtain 75% on the final assessment, the Contractor employee shall take the following remedial action: a. Take the final assessment again. b. Repeat the class and retake the final assessment or; c. Receive on-the-job training and retake the final assessment ~~is unable to pass the test, the Contractor shall provide remedial training that includes but is not limited to on-the-job training, restudy of the training manuals, or repeat of the entire training in the next available class. If the~~

		employee does not retake the test, the Contractor shall be found in non-conformance with the contract requirements and the KO will recommend the employee be removed from the position. The Contractor shall ensure employees do not perform any distribution functions without direct line of sight supervision until they have taken and passed a final assessment for the functional training for which they are performing the requirements in Section C-5. In the event of an incident or performance issues arise, the Contractor shall provide proof of training completion (i.e., certification of completion) immediately upon request by the KO or designee. The Contractor shall prepare and submit to the KO or designee an annual statement of training compliance NLT five (5) working days after the end of the fiscal year.
Attachment J.2	4.2.1 Contractor Furnished Facilities	B. The Contractor's buildings shall be a permanent-type, weatherproof structure(s), with an environmentally controlled, air conditioned interior. (Winter 60 degrees Fahrenheit + or – 5, Summer 75 degrees Fahrenheit + or – 5). Clear stacking height in the storage areas shall be a minimum of 20 feet. The Contractor shall provide restroom/break room facilities for one shift comprising the Contractor's estimated level of effort, and office space that can be limited to Government personnel that is secure and lockable (complete with air conditioning, (Winter 70 degrees Fahrenheit + or – 5, Summer 75 degrees Fahrenheit + or – 5), electrical, phone, IT connections (10BaseT), tables, desks etc) for a staff of 15approximately 25 -30 Government management personnel. Building(s) shall have adequate overhead lights (minimum of 20 foot candles in the storage areas, and 50 foot candles in office spaces), a fire sprinkler system, a fire alarm system, domestic potable water, level concrete floors, portable fire extinguishers, adequate sized overhead cargo doors capable of accommodating MHE vehicle traffic, personnel doors, emergency exits, lights and emergency eye-washers/showers. The electrical system shall be capable of handling not only the usual building functions (lights, hot water heaters, HVAC equipment, etc.) but also have enough capacity to accommodate battery chargers for MHE equipment, and IT equipment or work stations. Fire doors shall be in place on interior fire walls. The Contractor shall provide a back-up generator capable of providing power for critical building systems such as lights, battery chargers, telephones, and IT operations in the event of a commercial power failure to provide power for basic operations in the event of a commercial power failure.
Attachment J.2	4.2.2 Contractor Furnished Outdoor Storage Areas	B. The Contractor shall provide a marshalling yard at the entry to the Contractor's property to allow physical searches of all vehicles prior to entry into the secured area. Within the marshalling yard, the contractor shall provide adequate parking spaces to accommodate a maximum of one hundred (100) large flatbed trucks at any given time. The marshalling yard shall have an improved surface of asphalt or concrete concrete surface capable of accommodating truck and trailer, tug and various other vehicular traffic. The space and parking provided by the yard shall prevent vehicles from staging on the roadway outside the contractor's facility and blocking traffic flow.
Attachment J.2	5.5.1.3 Denial Research	2. Minimizing the number of denial actions. DSS Record research of locations to accurately process denials and allocate MRO. 3. Performing research in connection with partial and total quantity denial actions to include reviewing owner history to determine and apply the correct Error Classification Code (ECC).
Attachment	5.5.1.7.5	B. All DEMIL code "F" items the Contractor shall research to determine if Demilitarization Instructions are available. The Army

<table>
<tr><td>J.2</td><td>DEMIL</td><td>Electronics Product Support (AEPS) website is the repository for all services of Demil code “F” Demilitarization Instructions (https://aeps2.ria.army.mil/aepshome/cfm). If instructions are not resident in AEPS, the Contractor shall cancel the DRO, downgrad to a suspended condition code, and submit a Supply Discrepancy Report (SDR) requesting the demilitarization instructions.

C. For all DEMIL ~~F,~~ G, and P items, the Contractor shall cancel the DRO, downgrade the material to CC K, and prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM with the wording “Please distribute to a service managed facility or maintenance shop where DEMIL code requirements can be accomplished. The Contractor is not required to perform an inert certification on DEMIL G material prior to shipment to the DEMIL site. If a DEMIL G item does not have an inert certification, upon receipt of disposition instructions, the Contractor shall package the material and certify as hazardous material for shipment to the designated DEMIL site. The Contractor shall immediately report any discrepancies associated with owner/IM support or in obtaining disposition instructions to the KO or designee for resolution.</td></tr>
<tr><td>Tech Exhibit 1.2</td><td>N/A</td><td>
<table>
<tr><th>Job Duties/ Responsibilities</th><th>DSS Access Required</th><th>ADP / IT Security Level/Background Check Required</th></tr>
<tr><td>Perform general labor tasks; such as custodial work, moving boxes, loading trucks, driving forklifts or performing general clerical work.</td><td>None</td><td>N/A / N/A
General employment back ground screening required for all other positions not requiring DSS access.</td></tr>
<tr><td>Scan barcodes when making picks, closing picks, packing boxes, closing packs, performing 1st & 2nd count inventory, outloading pallets and trucks.</td><td>DSS access limited to RF devices which are configured to do specific functions. Requires DSS logon and password.</td><td>ADP/IT Level III / Alternative to NACI</td></tr>
<tr><td>Perform inventory, receiving, transportation, quality assurance, hazardous certification and clerical functions such as scanning large amounts of human certified data (e.g. hazardous certifications).</td><td>Access to DSS workstation limited to required/specified functional areas. Requires DSS logon, password and Token card eligibility.</td><td>ADP/IT Level III / Alternative to NACI</td></tr>
</table>
</td></tr>
</table>

Supervise warehouse workload, performing operations research, inventory control, and transportation control and routing.	General DSS access. Requires DSS logon, password and Token card eligibility.	ADP/IT Level II / NACLC		
Perform Production, Planning and Control (PPC) and other critical functionality that can hinder or halt critical operations. NOTE: CGA TO and Acct Officer will also be at this level.	Extensive DSS access. Requires DSS logon, password and CAC card eligibility. Limited to a tightly controlled target group.	ADP/IT Level II / NACLC		

Tech Exhibit 5.1 | N/A

5.2 RECEIVING

TIMELINESS

ACTIVITY	STANDARD	APL	MEASUREMENT UNIVERSE
~~(a)~~Receipt Processing – NP and Retail Receipts	Tailgate/Turn-in to Stow and post to accountable record in one day or less average	≤ 1 day ~~A~~average each month (DSS-MIS Data Element 10117)	NP and retail receipt lines received per month (MIS Data Element 10102)
~~(b)~~Receipt Processing – Wholesale Serviceable Returns	Tailgate/Turn-in to Stow and post to accountable record in three days or less average	≤ 3 days ~~A~~average each month (DSS-MIS Data Element 10817)	Wholesale returns received per month (MIS Data Element 10802)
~~(c)~~Receipt Processing – Redistributions	Tailgate/Turn-in to Stow and post to accountable record in three days or less average	≤ 3 days ~~A~~average each month (DSS-MIS Data Element 11317)	Redistribution lines received per month (MIS Data Element 11302)

5.4 PHYSICAL INVENTORY CONTROL STANDARDS

QUALITY			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
~~(a)~~TPIC N Category A – Unit Price > $1,000	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a Zero Tolerance on the count variance	99% Accuracy	Items/Lines counted at time of Government- conducted TPIC N inventory Semi-annual
~~(b)~~TPIC N Category B – Unit of Issue not equal to each or on hand balance greater than 50 and extended value less than $50,000 or NSN activity greater than 50	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a 10% Tolerance on the count variance	95% Accuracy	Items/Lines counted at time of Government- conducted TPIC N inventory Semi-annual
~~(c)~~TPIC N Category C – Date of Last Inventory > 24	Physical Inventory matches accountable	95% Accuracy	Items/Lines counted at time of Government- conducted TPIC N inventory

			months and on hand balance < 50	records by NSN, CC, Unit of Issue and quantity, with a 5% Tolerance on the count variance		Semi-annual	
			~~(d)~~TPIC N Category D – Other	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a Zero Tolerance on the count variance	95% Accuracy	Items/Lines counted at time of Government- conducted TPIC N inventory Semi-annual	
			TPIC G Inventories	Physical inventory matches accountable records by NSN, CC, Unit of and quantity, with a Zero Tolerance on the count variance	100% Accuracy	All items counted at time of annually scheduled Government-conducted TPIC G inventory (Controlled Items – Classified and Sensitive)	
			~~(e)~~TPIC P Inventories	Physical inventory matches accountable records by NSN, CC, Unit of and quantity, with a Zero Tolerance on the count	95% Accuracy	All items counted for all inventories scheduled and released under Government-conducted TPIC P or approved sample process (Pilferable Items)	

	variance		
~~(f)~~Location ~~Inventory~~ Accuracy	Physical material in location by NSN, Shelf-Life, CC, and Unit of Issue match storage activity locator records	99.5% Accuracy	Number of location surveys completed per month DSS Report YE6Z

5.4 PHYSICAL INVENTORY CONTROL STANDARDS			
TIMELINESS			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
~~(g)~~TPIC Inventories C, E, H, J, T, V, M, R, S and K	Shall be completed within 15 days from the date the inventory is established in DSS	100% ~~Accuracy~~	All inventories released by inventory Lead~~.~~ Measured through DSS QC/QA path PSBQ
~~(h)Location Survey (Audit)~~	~~Completion of location survey schedule to ensure that 100% of all locations are recorded as a completed survey each Fiscal Year~~	~~100% completion through wall to wall or by prescribed sample 99.5% Accuracy~~	~~Location surveys are completed IAW submitted schedule~~
~~(i)Causative Research~~	~~Mandatory IAVs are completed and the record corrected within 30 days from the~~	~~100%~~	~~Causative Research lines as listed on the daily IAVs IAW the causative research summary report in DSS~~

~~date the adjustment is posted, to include review and acceptance by the KO or designee~~			

5.5 ISSUE			
QUALITY			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
~~(a)~~Issue Material	Material shipped is the correct item, quantity, and CC and shipped to the right customer	>99.2 Quarterly ISDR Report	Valid complaints per quarter as a % of MROs/DROs
~~(b~~Warehouse Fill Rate (DSS)	The right quantity, condition and item is located to fill the MRO and CC	≥99.5% (100 minus the DSS-MIS Data Element 26330)	MROs per month

5.5 ISSUE
TIMELINESS *

ACTIVITY	STANDARDS	APL	MEASUREMENT UNIVERSE
MRO High Priority - Wholesale/Retail (Excluding Dedicated Trucks)	Receipt of MRO at Distribution Center to ship in one day or less average	<1 day average each month (DSS-MIS Data Element 22367)	High priority lines issued per month (MIS Data Element 21465)
MRO Routine Priority - Wholesale/Retail	Receipt of MRO at Distribution Center in three days or less average	<3 days average each month (DSS MIS Data Element 22375)	Routine priority lines issued per month (MIS Data Element 21473)
~~(c)~~MRO High Priorities - Wholesale/ Retail (Excluding Dedicated Trucks)	Receipt of MRO at Depot to ship in one day or less	≥ 85% of Hi Pri MRO on time against 1 day (DSS-MIS Data Element 2~~2~~3370)	High priority lines issued per month (MIS Data Element 22365)
~~(d)~~ MRO Routines - Wholesale/ Retail (Excluding Dedicated Trucks)	Receipt of MRO at Depot to ship in three days or less	≥ 85% of routine MROs against 3 days (DSS-MIS Data Element 22378)	Routine lines issued per month (MIS Data Element 22373)
~~(e)~~RDO High Priorities - Wholesale/Retail	Receipt of RDO at Depot to ship in one day or less	≤ 1 day ~~A~~average each month (DSS MIS Data Element 20767)	High Priority lines issued per month (MIS Data Element 20765)
~~(f)~~RDO Routines - Wholesale/Retail	Receipt of RDO at Depot to ship in three days or less	≤ 3 days ~~A~~average each month (DSS MIS Data Element 20775)	Routine lines issued per month (MIS Data Element 20773)
~~(g)~~DROs	Receipt of DRO at Depot to ship in 21 days or less average	≤ 21 days ~~A~~average each month (DSS-MIS Data Element 22007)	DROs shipped per month (MIS Data Element 22002)

5.6 PACKAGING STANDARDS			
TIMELINESS			
ACTIVITY	STANDARD	APL	MEASUREMENT UNIVERSE
~~(a)~~ Packaging~~PPP&M~~	Accomplish all packaging actions within 30 days of an item being placed into a temporary storage location ~~Accomplish all PPP&M actions within an average of 30 days of an item being placed into a temporary storage location~~	95% ≤ 30 days average	Packaging Actions are completed and closed out in the month in DSS Measurement tool LR8G Report.~~Packaging Actions are completed and closed out in the month in DSS. Measurement tool: LR8G Report~~
Packaging	Accomplish all packaging actions within 60 days of an item being placed into a temporary storage location	100% < 60 days	Packaging Actions are completed and closed out in the month in DSS Measurement tool LR8G Report

~~5.7~~ 5.5.1.9.2 ~~CARGO~~ THEATER CONSOLIDATION SUPPLY POINT (~~C~~TCSP) STANDARDS			
ACTIVITY	STANDARD	APL	MEASUREMENT UNIVERSE

		~~(a)~~Offer to Transportation - Surface Pallets Loose	Pallet positioned and ready for shipment to consignee	< 72 hours (DSS-MIS Data Element 75030)	Pallets arriving at DDKS per month (DSS-MIS Data Element 75026)	
		~~(b)~~Offer to Transportation - Containers Stuffed on-site Mixed	Container positioned and ready for shipment to consignee	< 72 hours (DSS-MIS Data Element 75035)	Containers arriving at DDKS per month (DSS-MIS Data Element 75031)	
		~~(c)~~ Offer to Transportation - Through Put Containers Pure	Container positioned and ready for shipment to consignee	< 24 hours (DSS-MIS Data Element 75010)	Containers arriving at DDKS per month (DSS-MIS Data Element 75006)	

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

PROVISIONS INCORPORATED BY REFERENCE

PROVISIONS APPLICABLE TO ALL CLINS

	FAR CLAUSE	TITLE	DATE
L-1	52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	APR 2008
L-2	52.211-7	ALTERNATIVES TO GOVERNMENT UNIQUE STANDARDS	NOV 1999
L-3	52.215-1	INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION	JAN 2004
L-4	52.215-16	FACILITIES CAPITAL COST OF MONEY	JUN 2003
L-5	52.222-24	PRE-AWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW	FEB 1999
L-6	52.237-10	IDENTIFICATION OF UNCOMPENSATED OVERTIME	OCT 1997
	DFARS CLAUSE	**TITLE**	**DATE**
L-7	DFARS 252.209-7002	DISCLOSURE OF OWNERSHIP OR CONTROL BY A FOREIGN GOVERNMENT	JUN 2005
L-8	DFARS 252.225-7003	REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA – SUBMISSION WITH OFFER	DEC 2006

PROVISIONS INCORPORATED IN FULL TEXT

PROVISIONS APPLICABLE TO ALL CLINs

L-9 FAR 52.211-1 Availability of Specifications Listed in the GSA Index of Federal Specifications, Standards, and Commercial Item Descriptions, FPMR 101-29 (AUG 1998)

(a) The GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR Part 101-29, and copies of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained for a fee by submitting a request to--

GSA Federal Supply Service
Specifications Section, Suite 8100
470 East L'Enfant Plaza SW
Washington, DC 20407
Telephone (202) 619-8925
Facsimile (202) 619-8978.

(b) If the General Services Administration, Department of Agriculture, or Department of Veterans Affairs issued this solicitation, a single copy of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained free of charge by submitting a request to the addressee in paragraph (a) of this provision. Additional copies will be issued for a fee.

(End of Provision)

L-10 FAR 52.211-2 Availability of Specifications, Standards, and Data Item Descriptions Listed in the Acquisition Streamlining and Standardization Information System (ASSIST) (JAN 2006)

(a) Most unclassified Defense specifications and standards may be downloaded from the following ASSIST websites:

(1) ASSIST (http://assist.daps.dla.mil/;

(2) Quick Search (http://assist.daps.dla.mil/quicksearch/)
(3) ASSISTdocs.com (http://assistdocs.com).
(b) Documents not available from ASSIST may be ordered from the Department of Defense Single Stock Point (DoDSSP) by—
(1) Using the ASSIST Shopping Wizard (http://assist.daps.dla.mil/wizard);
(2) Phoning the DoDSSP Customer Service Desk (215) 697-2197, Mon-Fri, 0730 to 1600 EST; or
(3) Ordering from DoDSSP, Building 4, Section D, 700 Robbins Avenue, Philadelphia, PA 19111-5094, Telephone (215) 697-2667/2179, Facsimile (215) 697-1462.

(End of Provision)

L-11 FAR 52.215-20 Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (Oct 1997) and Alternate II (OCT 1997)

(a) *Exceptions from cost or pricing data.*
(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.
(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.
(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include --
(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;
(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;
(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.
(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.
(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:
(1) The offeror shall prepare and submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.
(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.
(c) When the proposal is submitted, also submit one copy to:
(1) the Contract Auditor.

(End of Provision)

L-12 FAR 52.216-1 Type of Contract (APR 1984)

The Government contemplates award of a Hybrid Cost-Plus Award Fee (CPAF) and Firm Fixed Price (FFP) contract resulting from this solicitation.

(End of Provision)

L-13 FAR 52.233-2 -- Service of Protest (SEP 2006)

(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 Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from

Defense Distribution Center
2001 Mission Drive, Bldg 404
DDC-AB, Medard Kowalski
New Cumberland, PA 17070-5000

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of Provision)

L-14 FAR 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):

http://farsite.hill.af.mil

(End of Provision)

L-15 DLAD 52.233-9000 Agency protests (SEP 1999)

Companies protesting this procurement may file a protest: 1) with the contracting officer; 2) with the Government Accountability Office or; 3) pursuant to Executive Order No. 12979, with the Agency for a decision by the **Activity's Chief of the Contracting Office**. Protests filed with the agency should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (Note: **DLA procedures for Agency Level Protests filed under Executive Order No. 12979** allow for a higher level decision on the **initial protest than would occur with a protest to the contracting officer**; this process is not an appellate review of a contracting officer's decision on a protest previously filed with the contracting officer). Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the contracting officer.

(End of Provision)

L-16 DDC 52.242-9W40 Preproposal Conference Instructions - DDKS (AUG 2008)

(a) A pre-proposal conference for Defense Distribution Depot Kuwait, Southwest Asia (DDKS) will be held as follows:

PRE-PROPOSAL CONFERENCE

Date:	Tentative Date: 14 April 2009
Time:	0900hrs EST
Location:	Harrisburg Holiday Inn Hotel & Conference Center 148 Sheraton Drive New Cumberland, PA 17070 (P) 717-774-2721 (F) 717-712-0861

All registered participants are required to provide their own transportation to and from the Harrisburg Holiday Inn. For directions please contact the Holiday Inn at the number provided above.

Dress code for the pre-proposal conference is casual. No food or refreshments will be served.

If SEVERE WEATHER necessitates the event to be re-scheduled, pre-registered offerors will be notified as soon as practical.

Prospective offerors are encouraged to attend this conference. Interested parties must register with Shane Crusey by e-mail at shane.crusey@dla.mil NLT 31 March 2009 at 12:00pm EST. Interested parties choosing to send foreign nationals must provide the following IAW DLA foreign visit policy: Name; Organization; Rank; Date of Birth; Place of Birth; Current Address; Passport/Visa Number and; Purpose of the meeting. For companies that cannot provide this information in a timely manner, it is recommended that they send U.S. representatives. Interested parties planning to send U.S. citizens shall provide the representatives name and contact phone number. Confirmation will be validated by return e-mail.

(b) Prospective offerors are advised that the pre-proposal conference will be held solely for the purpose of explaining the specifications and terms and conditions of this solicitation. **Please also be advised that any questions pertaining to the preproposal conference shall be submitted electronically to the contract specialist – Shane Crusey, email: shane.crusey@dla.mil by 4:00 p.m. eastern local time on 15 April 2009.** Any changes to the solicitation will only be provided by written amendments. If an amendment is issued, normal procedures relating to the acknowledgement and receipt of any such amendment shall be applicable. In no event will failure to attend the pre-proposal conference constitute grounds for a claim after award of the contract.

(c) Each company is restricted to [2] attendees per organization.

(d) Answers to submitted questions from the preproposal conference may be posted to the federal business opportunities website at www.fbo.gov.

(End of Provision)

L-17 COMMUNICATIONS BETWEEN THE GOVERNMENT AND OFFERORS

1. Questions regarding this solicitation prior to proposal submission may occur for the purpose of clarifying elements of the solicitation.
a. Questions concerning this solicitation shall be submitted by electronic mail to the following:
shane.crusey@dla.mil
Subject: Sollicitation SP3100-09-R-0004

b. Offerors shall submit any questions regarding this solicitation in an MS Word Table landscape format with the following column headings:

Question	RFP Page	RFP Para	Name of Firm	POC	Tel No.	Fax No.	e-mail

c. No information concerning this RFP or requests for clarification will be provided in response to offeror-initiated telephone calls. All such requests must be made by electronic mail in the format noted above and submitted to the above email address. Inquiries will be answered in writing and provided to all offerors. **All questions must be received by 4:00 p.m. eastern local time on 10 April 2009. Questions received after this date and time will not receive a response.**

2. **The hour and date for receipt of offers is 2:00 p.m. eastern local time on 05 May 2009. HARD COPY OFFERS MUST BE RECEIVED IN THIS OFFICE BY THIS DATE AND TIME. Facsimile and email submissions of proposals will not be accepted.**

Proposals sent via US Postal Service shall be addressed to the Procuring Contracting Officer (PCO), Mr. Medard Kowalski III, and mailed to:

Defense Distribution Center
J Avenue, Bldg 404
DDC-AB, Medard Kowalski III
New Cumberland, PA 17070-5000

Proposals sent via Commercial Carrier (i.e., FedEx, UPS, DHL, etc.) shall be addressed to the Procuring Contracting Officer (PCO), Mr. Medard Kowalski III, and mailed to:

Defense Distribution Center
J Avenue, Bldg 404
DDC-AB, Medard Kowalski III
New Cumberland, PA 17070-5000

If the offeror plans to hand deliver the proposal, they shall contact the Contract Specialist, Shane Crusey at least one (1) business day in advance to coordinate the proposal delivery.

3. The packaging of the proposals must be clearly marked with the Offeror's Name, solicitation number and the following statement:

"FOR OFFICIAL USE ONLY -- SOURCE SELECTION INFORMATION - SEE FAR 2.101 AND FAR 3.104"

4. Offerors and their major subcontractors **shall submit one (1) paper copy of their cost proposal and one (1) CD of their cost proposal** to their cognizant Defense Contract Audit Agency (DCAA). The offeror's cognizant DCAA can be found using the Audit Office Locator by zip code on the DCAA website at www.dcaa.mil. A major subcontractor is defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort.

5. In order to be eligible for award, the offeror must have an accounting system adequate for determining costs applicable to the contract and such that Government surveillance during performance will provide reasonable assurance that efficient methods and effective costs controls are used.

6. It is expected that there will be adequate competition therefore; certified cost and price data may not be required. However, if at a later time it is determined that such data is required, the PCO reserves the right to require additional detailed cost data, and request an audit as determined necessary by the PCO.

7. If an offeror has any questions regarding this solicitation or believes that the requirements in this instruction contains an error or omission, the offeror shall immediately notify the Contract Specialist, Shane Crusey (shane.crusey@dla.mil) in writing in the format provided in paragraph 1 on the previous page. If an offeror believes that the requirements in this instruction are otherwise unsound, the offeror shall immediately notify the PCO, Mr. Medard Kowalski (medard.kowalski@dla.mil), in writing with supporting rationale. **The offeror is reminded that the Government reserves the right to award this effort based on the initial proposal, as received, without discussions.**

8. Submission of a proposal that does not contain all of the items requested in Section L-19 may result in elimination from consideration for award.

(End of text)

L-18 PROPOSAL PREPARATION REQUIREMENTS

1. Organization/Number of Copies/Page Limits: The offeror shall prepare the proposal in the English language as set forth in the Proposal Organization Table below. The titles and contents and number of copies required for each volume are defined in this table. Proposals shall be submitted as four (4) separate volumes as follows:

VOLUME	TITLE	PAPER COPIES	CD's	PAGE LIMITATION
I	**Solicitation, Offer and Award Document (SF-33)**	Original & 1	1	N/A
II	**Technical Proposal**	Original & 3	3	
	Section 1: General Information			N/A
	Section 2: Mission Capability			
	a. Operations			*
	b. Equipment			*
	c. Transportation			*
	Section 3: Management Capability			
	a. Distribution Management			*
	b. Resourcing			*
	c. Plans			*
	Section 4: Location and Physical Layout of Facilities			
	a. Facilities			*
	b. Information Technology Infrastructure			*
	c. Security			*
*** NOTE: THE TOTAL OF VOLUME II, SECTION 2, Parts a, b, and c; SECTION 3, Parts a, b, and c; VOLUME II, SECTION 4, Parts a, b, and c SHALL NOT EXCEED 300 PAGES**				
III	**Past Performance Proposal**	Original & 2	2	40
IV	**Cost Proposal**	Original & 2	2	N/A
		1 TO DCAA	1 TO DCAA	

2. Page Limitations: The page limitations for Sections two, three, and four shall be treated as the maximum number of pages allowable for thoses sections. If an offer exceeds the maximum number of those pages, the excess pages will not be read or considered in the evaluation of the proposal. When both sides of a sheet display printed material, it shall be counted as 2 pages. Offerors are advised that the paper version of the proposals take precedence over the CD version, in other words omissions in the paper copies can not be compensated for by the content contained in the CD copies of the offeror's proposal.

3. Cross-Referencing: To the greatest extent possible, each volume shall be written on a stand-alone basis so that its contents may be evaluated with the minimum of cross-referencing to other volumes of the proposal. Information required for proposal evaluation which is not found in its designated volume will be assumed to have been omitted from the proposal. Cross-referencing within a proposal volume is permitted where its use would conserve space without impairing clarity.

4. Indexing: Each volume shall contain a more detailed table of contents to delineate the subparagraphs within that volume. The detailed table of contents is not part of or included in the page limitation. Tab indexing shall be used to identify sections. Any cross-reference matrix table is not part of the page limitation.

5. Glossary of Abbreviations and Acronyms: Each volume shall contain a glossary of all abbreviations and acronyms used, with an explanation of each. Glossaries do not count against the page limitations for their respective volumes.

6. Page Size and Format:

a. The offeror's proposal shall be prepared on standard 8.5 x 11 inch paper and submitted in three-ring binders. Except for the reproduced sections of the solicitation document and chart labels, the text size shall be no less than 10 point font. Use at least 1-inch margins on the top and bottom and ¾ inch side margins. Pages shall be numbered sequentially by volume.

b. Legible tables, charts, graphs and figures shall be used wherever practical to depict organizations, systems and layout, implementation schedules, plans, etc. These displays shall not exceed 11 X 17 inches in size. Foldout pages shall fold entirely within the volume, and may only be used for large tables, charts graphs, diagrams and schematics.

7. Binding and Labeling: Each volume of the proposal shall be separately bound in a three-ring loose-leaf binder which shall permit the volume to lie flat when open. Staples shall not be used. A cover sheet should be bound in each book, clearly marked as to volume number, title, copy number, solicitation identification and the offer's name. The same identifying data should be placed on the spine of each binder. Offerors are advised to apply all appropriate markings including those prescribed in FAR 52.215-1(e), Restriction on Disclosure and Use of Data (Jan 2004), and FAR 3.104-4, Disclosure, Protection and Marking of Contractor Bid or Proposal Information and Source Selection Information.

8. Electronic Copies (CDs): The proposal shall also be submitted in CD-ROM format. Each volume of the proposal shall also be submitted on a separate CD-ROM. All CDs shall be readable on an IBM PC-compatible system running Microsoft Office 2000, including Microsoft Word 2000 and Microsoft Excel 2000. For each cost breakdown provided in Microsoft Excel format, the Offeror must show and establish clear identifiable links and calculations, such that the Government is able to understand and replicate the numerical data provided. Each CD shall be clearly labeled and each label shall state the offeror's name, solicitation number, date of submission and the proposal volume (name and number) contained on the CD. If more than one CD is required for a volume, the CD shall be labeled as Disk "x" of "y", i.e. Disk 1 of 2. The requirement for the CDs in no way relinquishes the offeror's responsibility to provide hard copies of the cost proposal. If there are any discrepancies between the electronic version and the hardcopy version submitted in response to this RFP, the hardcopy (paper) version will be considered binding.

9. Distribution: The originals shall be clearly identified as the "ORIGINAL", and bear the original signature(s) of the offeror. The "copies" shall be complete and clearly identified as "COPY" or "DUPLICATE". Offerors are advised that the proposal is "For Official Use Only" and are considered "Source Selection Information" – See FAR 2.101 & 3.104.

10. Table of Contents: A master table of contents for the entire proposal and a table of contents for each volume are required. The master table of contents for the entire proposal should be filed in Volume I.

(End of text L-18)

VOLUME I - SOLICITATION, OFFER AND AWARD DOCUMENTS

Section 1 – COVER LETTER AND SF-33:
If the offeror makes any qualifications to any provisions in the RFP, all such qualifications shall be listed in a cover letter to the proposal. Qualifications may also be annotated on the Solicitation, Offer and Award document, if such annotation is necessary to clarify the qualifications.

The SF-33 included in this RFP may be used as part of the contract award document. Offerors shall fully complete, execute and return the SF-33 as part of this Volume. Special attention should be taken to ensure that an authorized person signs the offer in Block 17. Offerors are also reminded that (1) signed copy of each amendment must be included in the submitted proposal package (applicable only if any amendments are issued), otherwise offeror's proposals could be considered unacceptable and may not be considered.

Section 2 – SECTION B:
Section B shall contain the proposed amount for each CLIN, the total for all the CLINS for each respective year, and shall be consistent with the offeror's cost proposal. The proposed cost/price shall not be carried out past two decimal points.

Section 3 - REPRESENTATIONS AND CERTIFICATIONS:
By the proposal submission, the offeror verifies that the representations and certifications currently posted electronically via the Online Representations and Certifications Application (ORCA) website at https://orca.bpn.gov/ have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer (See K-6). Restating the PWS requirements is unacceptable and will be grounds for determining the proposal unacceptable and removal from the competitive range.

The offeror shall address each certification and representation identified in SECTION K of the solicitation.

The offeror shall provide verification that DCAA has determined that the contractor's accounting system will permit timely development of all necessary cost data to support the Cost line items on the resultant contract (See FAR 16.104(h)). **The offeror shall provide contact information (physical address, e-mail address, phone and fax numbers) for their local DCAA Office to allow the Government evaluators to verify the accounting system meets the Government's requirements**. If costs from any major subcontractors are included in the contractor's proposal then the contractor shall provide the contact information for the subcontractor's local DCAA office to allow the Government evaluators to verify the accounting system meets the Government's requirements.

VOLUME II – TECHNICAL PROPOSAL

Section 1 – GENERAL INFORMATION

Section 1a – CROSS-WALK MATRIX

Utilizing the format below, each offeror shall submit a cross-walk index between each requirement of the PWS and the Volume, Section, Sub-Section and Page Number of the proposal where that requirement is addressed. This cross-walk index should clearly trace costing information back to PWS paragraphs and proposal sections. The cross-walk index will be utilized by the Government to facilitate evaluations of all offerors.

Section L:	Section C PWS:	Offeror's Technical Proposal:	Offeror's Cost Proposal:
Section 1a "Best Value" Benefits Table	N/A		
Section 2 paragraph 1(a) Distribution Services			
Section 2 paragraph 1(a)(1)	Sections 5.2. through 5.2.2.15		
Section 2 paragraph 1(a)(2)	Section 5.3., 5.6, 5.6.1.1, 5.6.4, 5.6.4.2		
Section 2 paragraph 1(a)(3)	Sections 5.1.6, 5.2.1, 5.3, 5.4, 5.6.4, 5.6.4.1, 5.6.4.2		
Section 2 paragraph 1(a)(4)	Sections 5.1.5.4, 5.5.1, 5.5.1.1, 5.5.1.2, 5.5.1.3, 5.5.1.4, 5.5.1.8,		
Section 2 paragraph 1(a)(5)	Sections 5.5.1.8, 5.5.2.4, 5.6, 5.7.1,		
Section 2 paragraph 1(a)(6)	Section 5.2.2.7, 5.2.2.8, 5.3.2.3, 5.4.2.1, 5.5.1.1, 5.5.1.7.6, 5.5.1.9, 5.5.2.4		
Section 2 paragraph 1(a)(7)	Section 5.5.1.9.2		
Section 2 paragraph 1(a)(8)	Sections 5.5.1.1, 5.5.1.8, 5.5.1.9, 5.5.1.9.1, 5.5.1.9.2		
Section 2 paragraph 1(b) Warehouse Operations			
Section 2 paragraph 1(b)1	Sections 4.4, 5.3, 5.5.1.2, 5.6.3, 5.6.4.1		
Section 2 paragraph 1(b)2	Sections 1.9.1.4, 5.3.1, 5.3.1.2,		
Section 2 paragraph 1(b)3	Sections 5.3.1.2		
Section 2 paragraph 1(b)4	Sections C 1 – C6		
Section 2 paragraph 1(b)5	Sections 5.1,		
Section 2 paragraph 1(b)6	Section 5.1.4, 5.5		
Section 2 paragraph 1(c) Inventory Management Operations			
Section 2 paragraph 1(c)1	Sections 5.4,		
Section 2 paragraph 1(c)2	Section C 1 – C 6		
Section 2 paragraph 1(c)3	Sections 5.1.1.1, 5.2.2.14, 5.4., 5.5.1.3,		
Section 2 paragraph 1(c)4	Section C 1 – C 6		
Section 2 paragraph 1(c)5	Section 5.4		
Section 2 paragraph 1(c)6	Section C 1 – C 6		

Section 2 paragraph 2 Equipment			
Section 2 paragraph 2(1)	Section C 1 – C 6		
Section 2 paragraph 2(2)	Sections C 1 – C 6		
Section 2 paragraph 2(3)	Sections C 1 – C 6		
Section 2 paragraph 2(4)	Section C 1 – C 6		
Section 2 paragraph 2(5)	Section C 1 – C 6		
Section 2 paragraph 2(6)	Section C 1 – C 6		
Section 2 paragraph 2(7)	Section C 1 – C 6		
Section 2 paragraph 2(8)	Section C 1 – C 6		
Section 2 paragraph 2(9)	Section C 1 – C 6,		
Section 2 paragraph 2(10)	Sections 3.2.2, 4.6.2, 4.6.3, 4.6.9,		
Section 2 paragraph 2(11)	Section 4.6.1		
Section 2 paragraph 2(12)	Section 4.6.1, 5.1.4		
Section 2 paragraph 2(13)	Section 3.2.2		
Section 2 paragraph 3 Transportation			
Section 2 paragraph 3(1)	Section C 1 – C 6		
Section 2 paragraph 3(2)	Section C-5.1.5, 5.5		
Section 2 paragraph 3(3)	Section C-5.5		
Section 2 paragraph 3(4)	Section 3.2.2, C-5.5		
Section 3 paragraph 1(a) Management Approach			
Section3 paragraph 1(a)(1)	Section C1 – C 6		
Section 3 paragraph 1(a)(2)	Section C1 – C 6		
Section3 paragraph 1(a)(3)	Section C1 – C 6		
Section 3 paragraph 1(a)(4)	Section C1 – C 6		
Section 3 paragraph 1(a)(5)	Section C 1 – C 6		
Section3 paragraph 1(b) Management Organizational Structure			
Section 3 paragraph 1(b)(1)	Section C 1 – C 6		
Section 3 paragraph 1(b)(2)	Section C 1 – C 6		
Section 3 paragraph 2(a) Key Personnel			
Section 3 paragraph 2(a)(1)	Section 1.3		
Section 3 paragraph 2(a)(2)	Section 1.3		
Section 3 paragraph 2(a)(3)	Section 1.3		
Section 3 paragraph 2(b) Depot Organizational Structure			
Section 3 paragraph 2(b)(1)	Section C 1 – C 6		
Section 3 paragraph 2(b)(2)	Section C 1 – C 6		
Section 3 paragraph 2(b)(3)	Section C 1 – C 6		
Section 3 paragraph 2(c) Personnel Data			
Section 3 paragraph 2(c)(1)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(2)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(3)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(4)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(5)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(6)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(7)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(8)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(9)	Section 1.9 through 1.9.2		
Section 3 paragraph 2(c)(10)	Section C 1 through C 6		

Section 3 paragraph 2(c)(11)	Section C 1 through C 6		
Section 3 paragraph 2(c)(12)	Section 3.5		
Section 3 paragraph 3(a) Quality Control/Customer Satisfaction	Section 5.1.4		
Section 3 paragraph 3(b) Transition/Phase-In and Phase-Out Plan			
Section 3 paragraph 3(b)(1)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(2)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(3)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(4)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(5)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(6)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(7)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(8)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(b)(9)	Section 1.9 through 1.9.2, 1.12		
Section 3 paragraph 3(c) Surge, Sustainment and Disaster Recovery Plan (SSDRP)			
Section 3 paragraph 3(c)(1)(a)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(1)(b)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(1)(c)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(a)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(b)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(c)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(d)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(e)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(2)(f)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(a)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(b)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(c)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(d)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(e)	Section 1.10 through 1.10.3		
Section 3 paragraph 3(c)(3)(f)	Section 1.10 through		

	1.10.3		
Section 4 paragraph 1(a) Physical Characteristics			
Section 4 paragraph 1(a)(1)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(2)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(3)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(4)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(5)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(6)	Section 4.1 through 4.2.2		
Section 4 paragraph 1(a)(7)	Section 4.1 through 4.2.2		
Section 4 paragraph 2(a) Infrastructure			
Section 4 paragraph 2(a)(1)	Section 4.2.1		
Section 4 paragraph 2(a)(2)	Section 4.2.1		
Section 4 paragraph 2(a)(3)	Section 4.2.1		
Section 4 paragraph 2(a)(4)	Section 4.2.1		
Section 4 paragraph 2(a)(5)	Section 4.2.1		
Section 4 paragraph 2(a)(6)	Section 4.2.1		
Section 4 paragraph 2(a)(7)	Section 4.2.1		
Section 4 paragraph 2(b) IT Equipment			
Section 4 paragraph 2(b)(1)	Section C 1- C 6		
Section 4 paragraph 2(b)(2)	Section C-1.4.9, C-1.4.11		
Section 4 paragraph 3 Security			
Section 4 paragraph 3(1)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(2)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(3)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(4)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(5)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(6)	Section 1.4 through 1.4.12		
Section 4 paragraph 3(7)	Section 1.4 through 1.4.12		

Section 1b – BEST VALUE FEATURES

Each offeror shall present features from their proposal which could provide cost, schedule, or performance benefits to the Government. This information shall be provided in a "Best Value" benefits table constructed using the following format:

Column 1 – List each best value feature
Column 2 – Applicable proposal paragraph number
Column 3 – Applicable proposal page number
Column 4 – Applicable requirements document (PWS, exhibits, other)
Column 5 – Summary of why it is considered as a best value feature

Section 2: - MISSION CAPABILITY:

Mission Capability is broken into three (3) sub-factors, Operations, Equipment, and Transportation. The offeror shall identify any innovative processes and sub-processes to be proposed and what risks, if any, are involved. The offeror's approach must identify the relationship of the processes to the resources (personnel, equipment,

facilities, supplies, and materials). Offerors shall provide a detailed description of their approach for each sub-factor, as follows:

1. Operations: In order to be compliant with the Operations sub-factor, each offeror must detail their approach to Distribution Services, Warehouse Operations, and Inventory Management.

a. Distribution Services: To be compliant, the offeror must address each of the following items in their proposal:

1) The offeror's approach to Receiving to include: submitting properly validated receipts into accountable records when Prepositioned Material Receipt Data (PMRD) and/or documentation is not available with post receipt correction; validating that contract terms have been met; recording/reporting of discrepancies and knowledge of MILSTRIP transactions.
2) The offeror's approach to Storage, to include maintaining Care of Stock in Storage (COSIS), managing shelf life programs, recording and updating item data and controlled item processing.
3) The offeror's approach to Stock Readiness, to include Property Accountability, Physical Inventory
4) The offeror's approach to Issues, to include understanding and following supply codes and selecting material from stock location by Materiel Release Order (MRO) advice code and exception data, and/or over/under selection of MRO quantity based on items packaged configuration.
5) The offeror's approach to packing, packaging, preservation, marking, labeling and shipping of defense managed material, to include when and how to apply military packaging and commercial applications to meet customer needs.
6) The offeror's approach to handling of hazardous material, to include proper segregation, and certification for all modes of shipment and preventing frustrated shipments.
7) The offeror's approach to handling the Theater Consolidation Shipping Point (TCSP) to meet customer needs.
8) The offeror's approach to building shipments for air and ground transport and management of outbound air and ground freight.

b. Warehouse Operations: To be compliant, the offeror must address each of the following items in their proposal:

1) The offeror's approach to storage, selection, and preparation of materiel for shipment, efficient utilization of storage operations space in surge and reduction scenarios, and, efficient utilization of all equipment, supplies and materials.
2) The offeror's approach to maintaining clearly recognizable location markings, striping, signage, current warehouse planograph drawings, and other visual aids to support efficient warehousing operations and location management.
3) The offeror's approach to maintaining and executing approved site storage plans for improving operational efficiency, preparation of accurate storage space management reports, improving compliance with applicable laws and regulations and improving space utilization.
4) The offeror's approach to efficient use of the DSS automated warehousing system , equipment, etc. that includes the maintaining of a stock locator system within DSS.
5) The offeror's approach to meeting Acceptable Performance Levels (APLs) and maintaining accurate, auditable records of warehouse operations performance.
6) The offeror's ability to identify cause if Acceptable Performance Levels (ABLs) are not met and develop a plan to correct the problems.

c. Inventory Management Operations: To be compliant, the offeror must address each of the following items in their proposal:

1) The offeror's approach to performing the following tasks:
   - Required Inventories
   - Physical Inventory Control
   - Inventory Control Effectiveness Reporting
   - Physical Material Accountability Accuracy on Inventory Records
   - Physical Security Measures
   - Research of Potential or Actual Physical Inventory Adjustments
   - Physical Inventory Procedures
   - Location Audit Procedures

- Location Survey Procedures
  Location Reconciliation Procedures

2) The offeror's understanding of the nature and technical scope of inventory management operations and its impact on the distribution operation.
3) The offeror's understanding of inventory processes such as performing causative research, processing denials, losses, and gains.
4) The offeror's approach to manage inventory utilizing automated systems.
5) The offeror's approach to meet or exceed the Acceptable Performance Levels, as they relate to Inventory Management Operations.
6) The offeror's ability to identify cause if Acceptable Performance Levels are not met and develop a plan to correct the problems.

2. Equipment: In order to be compliant with the Equipment sub-factor, each offeror must address the following items in detail:

1) Describe how the equipment listed in the PWS and solicitation (available for Offerors to utilize as Government Furnished Equipment) will be utilized.
2) A list of any additional equipment required to meet the contract requirements. If the offeror has none, this shall be indicated.
3) A plan to leasing equipment to complete the DDKS mission.
4) The dates during which the leased equipment are available for use (including the first, last, and all intervening months).
5) The amount of lease/rent that would otherwise be charged in accordance with the clause at 52.245-9, Use and Charges.
6) The voluntary consensus standard or industry leading practices and standards to be used in the management of Government property, or existing property management plans, methods, practices, or procedures for accounting for property.
7) The offeror's approach to Government Property Management to ensure compliance with FAR 52.245-1, Government Property (Jun 2007). The discussion shall include the offeror's initiation and maintenance of the processes, systems, records and methodologies necessary for effective control of Government property consistent with voluntary consensus standards and/or industry-leading practices and standards for Government property management. As used here, voluntary consensus standard means common and repeated use of rules, conditions, guidelines or characteristics for products, or related processes and production methods and related management systems. Voluntary Consensus Standards are developed or adopted by domestic and international voluntary consensus standard making bodies.
8) A discussion of the offeror's property management plans and systems, at the contract, program, site or entity level to enable the following outcomes:
   - Acquisition
   - Receiving
   - Records
   - Physical Inventory
   - Subcontractor Control
   - Reports
   - Relief of Stewardship
   - Utilization
   - Maintenance
   - Contract Closeout
9) A discussion of the offeror's procedures to assess its property management system effectiveness, including periodic internal reviews and audits. The discussion should also include the offeror's approach to ensuring this information is available for Government review.
10) Approach and documented processes and procedures for performing scheduled preventive maintenance (PM), unscheduled trouble calls, unscheduled maintenance (UM) and equipment disposal actions.
11) Approach and documented processes and procedures for using EMACS (Equipment Management and Control System) for tracking PM and UM actions by a number of variables such as employee; hours to perform; labor costs; non-labor costs; utilization; time/date in and out of maintenance.

12) Approach for providing quality control inspections by the Contractor of work performed, processes followed, documentation and data entry into EMACS.
13) Approach for established criterion to identify when equipment should be replaced.

3. Transportation: In order to be compliant with the Transportation sub-factor each offeror must address each of the following items in their proposal:

1) Approach and documented processes for forecasting required transportation during full performance.
2) Approach and documented processes for managing on-site shuttle transportation and emergency on-call transportation capability.
3) Approach and documented processes for maintaining in transit visibility of all outbound shipments, including aerial and surface points.
4) Approach and documented processes for obtaining appropriate driver access to Government controlled installations.

Section 3 - MANAGEMENT CAPABILITY:

The Management Capability factor is broken down into three (3) sub-factors, Distribution Management, Resourcing and Plans. The offeror shall identify any innovative processes and sub-processes to be proposed and what risks, if any, are involved. Offerors shall provide a detailed description of their approach for each sub-factor, as follows:

1. Distribution Management: In order to be compliant with the Distribution Management sub-factor, each offeror must address their Management Approach and Management Organizational Structure.

a. Management Approach: To be compliant, the offeror must address each of the following items in their proposal:

1) The offeror's overarching management methodology and how this methodology will translate into successful contract performance with a satisfied customer.
2) The offeror's approach to warehouse operations to include their general philosophy regarding storage, inventory, selection of materiel, and preparation of materiel for shipment. In addition, the proposal shall include the offeror's view of efficient utilization of operations space, as well as efficient utilization of all equipment, supplies and materials.
3) The offeror's proposed normal business hours for this operation and rationale for selecting these hours in accordance with paragraph 1.2.3 of the Attachment J.2 Section C – Performance Work Statement (PWS).
4) The involvement of the corporate headquarters with the local operation and how it will ensure customer support, safeguarding information and maintaining awareness and reporting of contact of a suspicious nature.
5) The offeror's overarching approach to meet or exceed the acceptable performance levels of the contract. This approach must demonstrate an understanding of the nature and technical scope of distribution services, knowledge of automated distribution systems and how they are utilized within the distribution process.

b. Management Organizational Structure: To be compliant, the offeror must address each of the following items in their proposal:

1) An organizational chart(s), outlining the organization's chain of command at the corporate level.
2) Discussion of offeror's plan for handling of corporate level dependencies.

2. Resourcing: In order to be compliant with the Resourcing sub-factor, each offeror must address their Key Personnel, Depot Organizational Structure and Personnel Data.

a. Key Personnel: To be compliant, the offeror must provide the information requested below in their proposal:

1) Key Personnel are identified as the Site Manager and Alternate Site Manager. At a minimum, the Site Manager and Alternate Site Manager shall each possess a Bachelor's Degree in Logistics Management, Distribution Management, Materials Management, or Business Management and at

least five (5) years of experience in logistics, distribution, or materials management or, at least ten years (10) of progressive management experience in distribution operations similar in size and complexity to the operation offered in this contract.

2) Resumes shall be submitted for all key personnel to be assigned to the proposed contract. Resumes shall include the relevant qualifications, education, background and experience for all key personnel in sufficient detail to demonstrate their capability to accomplish the work described in SECTION C. The work history of each key position shall contain qualifying experience directly related to the tasks and functions he/she is intended to perform under the proposed contract. Resumes shall demonstrate the manager's understanding of the full range of DoD Distribution Depot Operations including: receiving, storage issue, transporation, inventory, care of supplies in storage, PPP&M, packaging, etc. The resumes shall show the nature of each specific assignment and the dates and time frames of such background experience.
3) If proposed Key Personnel are not currently in the employ of the Contractor, offerors shall submit a written agreement from the potential employee to work under this contract.

b. Depot Organizational Structure: To be compliant, the offeror must address each of the following items in their proposal:

1) An organizational chart(s), outlining the organization's chain of command at the site level.
2) Decision making authorization as it pertains to the administration of the contract. The offeror shall identify the positions within the depot structure whose incumbents are authorized to act on behalf of the company for day to day operations.
3) A staffing chart that identifies, at a minimum
   - The Organizational Structure
   - The supervisory or management positions
   - Number of personnel in each organization and whether they are full or part-time
   - Job classifications, titles, and whether to be encumbered by EXPATs or TCNs
   - Total man hours proposed by organization and skill level
   - Key personnel

c. Personnel Data: To be compliant, the offeror must address each of the following items in their proposal:

1) Description of the workforce that the offeror will have in place at the end of the phase-in period to meet APLs for two (2) consecutive months, including those positions that will be fluent in reading, writing, and speaking the English language.
2) The offeror's recruitment and hiring plan to fill vacancies once full performance has been achieved, including replacements for those positions to be fluent in reading, writing, and speaking the English language.
3) Assessment of the labor market and of the offeror's ability to hire qualified personnel in accordance with local laws.
4) The process that will be used to complete required background check investigations IAW C-1.4.4, Personnel Clearance.
5) Assumptions made by the offeror in planning for the number of vacancies to be filled through current contractor workforce versus the area labor market and contingency plans if those assumptions turn out to be overstated.
6) The process that will be used in interviewing and making offers to contractor personnel to include timing of offers, length offer remains open, any contingencies for hiring, and start dates.
7) Critical skill positions and DSS transactional systems knowledge needed to start and maintain performance and contingency for immediately replacing the loss of skill(s)/knowledge due to personnel loss. This includes contingencies for immediately replacing personnel that are lost, especially during the final days of the phase-in period and during the first six (6) months of performance.
8) The offeror's approach to develop a workforce (management and labor) that has the requisite knowledge, skills, abilities, and applicable licenses/certifications to perform the work.
9) The offeror's approach for employee retention.
10) The offeror's approach to familiarizing the workforce with the depot's workflow and scheduling (not with how the current contractor performs its work, but with the actual workload requirements).

11) The offeror's approach to personnel training and how that approach relates to job performance. The discussion should also address the offeror's approach for DSS training, to include minimum training requirements for each position and associated training schedule. Additionally, the discussion should address the offeror's approach to training the workforce on other essential transactional data systems addressed in Section C-3.4.
12) The offeror's procedures and policies to minimize training and travel cost.

3. Plans: In order to be compliant with the Plans sub-factor, each offeror must detail their Quality Control/Customer Satisfaction Plan; Transition Plans for both Phase-In and Phase-Out of operation; and Surge, Sustainment and Disaster Recovery Plans.

a. Quality Control/Customer Satisfaction: The offeror shall provide a Quality Control Plan/Customer Satisfaction Plan (QC/CSP) compliant with the elements addressed in C-5.1.4, QC/CSP of the PWS. The QC/CSP shall specifically address the methods, processes, techniques, and tools that will result in meeting or exceeding the performance requirements for quality and timeliness. The QC/CSP plan shall delineate a quality control program that is prevention based and an approach to customer satisfaction that is proactive.

b. Transition /Phase-In and Phase-Out Plan: The offeror shall provide a Transition/Phase-In and Phase-Out plan in accordance with Section C.1.9 of the PWS. Offerors shall provide a detailed description of the actions that will be established to aid in a smooth transition to offeror operations and phase out of those operations at a conclusion of operations. The offeror's plans shall set forth actions, plans, procedures, and time-lines necessary to ensure a smooth transition/phase-in to full operational status and transfer of operation to another entity, government or contractor. Phase-In shall begin on the effective date of contract and shall not exceed 9 months. Phase-Out from operations shall include the final 90 days of contractor operations. At a minimum, the Transition/Phase-In/Phase-Out Plan shall include:

1) Familiarization with ALL tasks that the offeror will perform during transition periods. Task information shall include a definition or description, resources, staffing charts, any necessary coordination with the Government, and schedule.
2) All assumptions made by the offeror regarding all tasks associated with transition and transition periods.
3) All actions the offeror requires the Government to perform; i.e., government actions that constrain the offeror's transition tasks.
4) Government-imposed constraints.
5) The offeror's approach to training and certification of personnel for the start of full performance.
6) The offeror's approach to ensuring training for the Distribution Standard System (DSS) Cadre Training Team for a maximum training period of 5 weeks.
7) The offeror's approach for the DSS Cadre Training team to train the remainder of the Contractor workforce on DSS.
8) The offeror's approach to any other training necessary before end of phase-in as addressed in TE 3.9 or 4.1.
9) List of transition personnel for each of the transition periods to ensure security in transit.

c. Surge, Sustainment and Disaster Recovery Plan (SSDRP): The offeror's SSDRP shall provide a SSDRP in accordance with Section C-1.10 of the PWS. Offerors shall provide a detailed description of the actions that will be established in maintaining contract compliance during operational disruptions, emergencies, military deployments, and periods of increased workload. The offeror's plan shall set forth actions, plans, procedures and time-lines necessary that demonstrates the offeror's operational preparedness capability and provides the assurance that the offeror will satisfy the performance requirements during periods of operational adversity. At a minimum, the SSDRP shall include:

1) Describes how the continuity of operation will be maintained from the start of the situation requiring implementation of SSDRP to its conclusion. The plan must define an overall methodology and processes:
    a. For assessing a situation;
    b. Determining an appropriate response and;
    c. Achieving recovery
2) The plan specifically addresses a methodology and process for the following situations:

a. Surge workload;
b. Natural and man-made disasters;
c. Adverse weather;
d. Mobilization (short and long-term military operations);
e. Loss of any essential operation(s), function(s), or personnel (e.g., transactional systems, critical skills, and knowledge) and;
f. Heightened security requirements

3) For each of the situations listed in (b) above and further identified by the offeror, the plan shall address the following minimum aspects:
   a. Impact;
   b. Primary issues;
   c. Response;
   d. Primary and alternate points of contact;
   e. Communication and Coordination with the Government and;
   f. Process(es) to achieve recovery and resumption of full service

Section 4 – LOCATION AND PHYSICAL LAYOUT OF FACILITIES:

The location and physical layout of facilities factor is broken down into three (3) sub-factors, Facility(s), Information Technology Infrastructure and Security. The offeror shall identify any innovative processes and sub-processes to be proposed and what risks, if any, are involved. The offeror shall provide a detailed description of their approach for each sub-factor listed below. The offeror's proposal shall address the initial requirement of 1.5 million square feet of covered space and 1 million square feet of outdoor space and their approach to have the additional 1 million square feet of outdoor space NLT the end of the 9th month after contract award. The offerors shall also submit photographs or video of the actual site for both indoor and outdoor storage areas with corresponding reference points or maps. If video is used, the offeror shall use voice references in English. In addition, offerors are advised that a site assessment survey will be conducted by government personnel on-site prior to completion of the technical evaluations of offeror's proposals. Each offeor will be contacted in advance to coordinate a date and time to conduct the site visit. The offeror shall provide a contact POC to include name, telephone number and email address to facilitate the site survey.

1. Facility(s): In order to be compliant with the Facility(s) sub factor, each offeror must detail their approach to meeting the physical characteristics of their furnished facilities (See also sections 4.1 – 4.2 of the PWS).

a) Physical Characteristics: To be compliant, the offeror must address each of the following items in their proposal:

1) The offeror's GPS coordinates and address for their proposed warehousing facility located within a 30 mile radius of Camp Arifjan, Kuwait.
2) The offeror's approach to meeting the minimum 1.5 million square feet of indoor storage, 2 million square feet of outdoor storage, and 40 thousand square feet of air conditioned office space for Government Personnel. If the offeror can only provide for the minimum outdoor storage space of 1 million square feet at time of award, the offeror shall then propose their approach to meeting required 2 million square feet of outdoor storage space within nine (9) months after contract award date.
3) The proposed physical layout of all facilities allowing for all buildings to be located adjacent to one another, or close proximity and adjacent to the outside storage area which shall be able to be segregated form other buildings or spaces, and shall include perimeter fencing and proper security lighting to enable around the clock operations.
4) The offeror's approach to ensuring constructed buildings provide segregated storage space for hazardous, pilferable, and sensitive material, to include timelines.
5) The offeror's approach to ensuring all buildings provide for adequate overhead lights (minimum of 20 foot candles in the storage areas, and 50 foot candles in office spaces), a fire sprinkler system, a fire alarm system, domestic potable water, level concrete floors,

portable fire extinguishers, adequate sized overhead cargo doors capable of accommodating MHE vehicle traffic, personnel doors, emergency exits, lights and emergency eye-washers/showers. The electrical system shall be capable of handling not only the usual building functions (lights, hot water heaters, HVAC equipment, etc.) but also have enough capacity to accommodate battery chargers for MHE equipment, and IT equipment or work stations. Fire doors shall be in place on interior fire walls. The Contractor shall provide a back-up generator capable of providing power for critical building systems such as lights, battery chargers, telephones, and IT operatons in the event of a commercial power failure to provide power for basic operations in the event of a commercial power failure.

6) The offeror's approach to ensuring outdoor storage area shall have an improved surface capable of accommodating forklift, truck and trailer, tug, and various other vehicular traffic used in the normal course of activity at a warehousing/logistics operation, 24 hours a day, 7 days per week, regardless of environmental and weather conditions. The Contractor shall provide sufficient lighting for this area. The Contractor shall provide a covered outdoor storage solution IAW the technical specifications detailed in TE 4.3, Technical Specifications of Structural Steel Shed. The KO or designee will approve the structure prior to initial storage use.
7) The offeror shall provide detailed information regarding applicable agreements, contracts, deeds and leases in support of the facililty(ies). The offeror shall discuss whether they own or lease their facility(ies). If the facility is leased, provide a detailed account of the nature and duration of any lease arrangement(s). If some aspects of construction are ongoing, it must be clearly differentiated. Diagrams should include the entire compound showing space utilization by function for both indoor and outdoor areas. The offeror shall provide digital photographs of facility(s).

2. Information Technology (IT) Infrastructure: In order to be compliant with the IT Infrastructure sub factor, each offeror must detail their approach to providing for an Infrastructure capable of handling the required IT Equipment to operate the Government provided distribution system.

a) Infrastructure: To be compliant the offeror must address each of the following items in their proposal:

1) The offeror's approach to providing a Land-based, fiber optic connectivity from the local commercial communications central office to support all site telecommunications service and equipment, to include timelines.
2) The offeror's approach to providing a Single-mode fiber optic star topology between building communication closets for network backbone outside plant (OSP) cabling.
3) The offeror's approach to providing an Ethernet 10BASE T CAT 6 inside plant (ISP) LAN cabling supporting end user devices and RF access point locations.
4) The offeror's approach to providing a Communications closet with minimum dimensions of 3meters by 3meters and adequate ventilation and temperature control to support IT equipment/cable installation.
5) The offeror's willingness to allow the Government (DDC J6N) to assist with install and maintain all network equipment, switches, and routers.
6) The offeror's proposed approach to meeting the requirements of DISA Security Technical Guidelines (STIG), DoD 8500.1, DoD 8500.2 and DoD 5200.2-R.

7) The offeror's approach to providing secure communication by abiding by CJCS Regulation 6510.1 to include background checks on all employees, obtain network accreditation, and agreement to validate compliance.

b) IT Equipment: To be compliant the offeror must address each of the following items in their proposal:

1) The offeror's ability to operate and manage the following standard minimum equipment or equipment equal in comparison to the equipment described below for DSS operation (contractor should be advised that future upgrades may be possible):

- Desktop Hardware:
  Processor: Intel Core 2 Duo E6420 (2.13 GHz, 1066MHz FSB 4MB cache, non – HT) Chipset: Intel Q965 Chipset w/DDR2 and Intel Core Duo support 2GB Memory (PC5300 dual channel DDR2 667MHz SDRAM) 120GB Serial ATA II/300 7200 RPM Hard drive w/8MB cache Controller Card: Integrated Ultra ATA100 and Serial ATA II/300 controllers No Floppy CDRW/DVD Combo Drive (48x/32x/48x) Expansion Slots: 1PCI-E x 16, 1 PCI-e x1, and 2 full height, full length PCI slots External Ports: (8)USB 2.0, (2)PS/2, (1)RJ-45 Integrated LAN, (1) Microphone, (1) Headphone, (3) Rear Audio, (1) VGA, (1) DVI Additional External Ports: Serial and Parallel Port Brackets 17" LCD Monitor CAC Keyboard Video: Integrated Intel GMA 3000 Graphics, USB Optical Mouse, Sound System: Integrated Sound Blaster compatible audio, Network Adapter: Integrated Intel 10/100/1000

- Desktop Software:
  Microsoft Vista
  DVD Backup Media
  Adobe Acrobat Professional
  3270 Emulator
  Antivirus Software

- DSS Workstation printers with Network Interface Card (NIC):
  Intermec PM4i
  Kyocera FS2000DN
  Kyocera FS4000DN

- Wireless Devices supported by 802.11g:
  Teklogix 7535 Handheld
  Teklogix 9500 Controller
  Teklogix Access Point
  Teklogix Battery Chargers/Batteries
  Fortress AF 2100 Secure Gateway

- Additional DSS Workstation hardware:
  Welsh/Allen 4800 Scanner Kit and Cable
  DLA 2d barcode software conversion package

2) The offeror's approach for complying with the Information System Security requirements IAW C-1.4.9 and safeguarding information IAW C-1.4.11.

3. Security: In order to be compliant with the Security subfactor, each offeror must detail their approach to meeting the following security requirements (See the PWS Section C-1.4 for a comprehensive description of the security requirements outlined below):

1) Facility security
2) Reporting of criminal violations
3) Authorized Visitor Control
4) Key and Lock Control of Contractor Operated Facilities
5) Idenification Badges
6) Vehicle Access and Vehicle Parking
7) Potential Operational Constraints

VOLUME III –PAST PERFORMANCE PROPOSAL

Past performance information is used in determining the level of confidence the Government has for successful performance based upon the offeror's actions under previously awarded, relevant contracts.

The Government will only consider relevant past performance data. To be considered relevant, the offeror must demonstrate past execution of similar contracts in terms of complexity, technology, magnitude of effort, schedule, and scope. Additionally, the performance must have occurred during the last five (5) years.

To be compliant with this factor, offerors shall provide the following information for both the offeror and proposed major subcontractors. A major subcontractor is defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort. No past performance information is required for subcontractors who do not meet the definition of a "major subcontractor".

If an offeror or its major subcontractor determines they have no relevant past performance data, they shall provide the following statement in lieu of the information requested below: "*(Insert offeror or major subcontractor's name)* has determined that they possess no relevant past performance information in accordance with Section L of Solicitation SP3100-09-R-0004."

(1) An index of Previous Contract Data for the offeror. The index shall contain all relevant PRIME contracts and relevant SUBCONTRACTS that the offeror is currently performing or has completed during the last five (5) years. The index shall include:

- Contractor Name;
- Name of the customer /agency;
- Contract/Purchase Order Number;
- Customer points of contact (minimum of two, provide name, telephone number, fax number and e-mail addresses);
- Length of contract;
- Period of performance (dates);
- Initial Contract Price;
- Final Contract Price or price as of the last modification;
- Description of product/service provided (include sufficient detail to demonstrate the scope and complexity of the product/service provided);
- Discussion of the similarities and differences of experience (include sufficient detail to demonstrate similarities/dissimilarities to the requirements of this solicitation);
- Facilities in which the product/service was performed and;
- Quality of Past Performance; to include a discussion of actual performance under each contract listed, including problems encountered; how they were resolved; the timeliness of deliverables required; how costs were controlled; business relationships; management of key personnel, and any other areas deemed necessary to provide insight into actual performance issues.

(2) An index of Previous Contract Data for all major subcontractors containing the information listed in (1) above as it relates to relevant PRIME and SUBCONTRACTS that the major subcontractor is currently performing or has completed during the last five (5) years.

(3) Attachment J.1 provides the Past Performance Questionnaire. Offerors and all major subcontractors shall send this questionnaire to previous customers of relevant prime and subcontracts. All questionnaires shall be sent by the proposal due date and time identified in L-17, #2 . All previous contracts the offeror utilizes for Questionnaire information must be contained in the Previous Contract Data index for the offeror/major subcontractor. The offeror/major subcontractor shall complete Part I of Attachment J.1 prior to submitting the questionnaire to the customer. The offeror/major subcontractor shall ask the customer to complete the questionnaire and return it directly to the Contract Specialist identified in Part III – RETURN INFORMATION of the questionnaire. Evaluation members may contact the named individuals to clarify, obtain additional information, or conduct a telephonic survey of past performance. As such, the offeror/subcontractor shall provide a list of all Questionnaires submitted that provides the following information:

- Name of the customer/agency;

- Date submitted to customer/agency;
- Contract/Purchase Order Number
- Customer points of contact (minimum of two, provide name, telephone number, fax number and e-mail addresses) and;
- Whether the offeror/major subcontractor was a Prime or Subcontractor.

(4) Offerors and their major subcontractors may describe any quality awards or certifications that indicate technical excellence in the service requested. Examples of such awards or certifications include, the Malcolm Aldridge Quality Award, other Government quality awards, and private sector awards or certifications (e.g. the automobile industries QS 9000, Semitic's SSQA, or ANS/EIA-599). Indicate what segment of the company (or division or the entire company) received the award or certification and the date. If the award or certification is over three years old, present evidence the qualifications still apply.

(5) Offerors shall complete the Subcontractor Summary table below, adding as many rows as necessary to include all proposed subcontractors:

SUBCONTRACTOR SUMMARY

Total Dollar Value of Proposal				
20% of Total Dollar Value of Proposal				
Total Manhours of Proposal				
25% of Total Manhours of Proposal				
	Total Dollar Value of Subcontractor Proposal	Greater than 20% of Total Dollar Value of Proposal? (Y or N)	Total Manhours of Subcontractor Proposal	Greater than 25% of Total Manhours of Proposal? (Y or N)
Insert Subcontractor 1 Name				
Insert Subcontractor 2 Name				
Insert Subcontractor 3 Name				

VOLUME IV – COST PROPOSAL

The Government has provided historical and projected workload data in this RFP for estimating purposes only. Each offeror should utilize this information in concert with their unique individual experiences and business acumen in pricing their proposal. The estimates are not to be considered a guaranteed workload.

In proposing option items, the offeror shall apply and fully explain any escalation factors deemed necessary to proposed rates and material.

The offeror's accounting system should be described in sufficient detail to demonstrate its adequacy to support the cost reimbursable line items on the resultant contract.

If proposed rates reflect negotiated forward pricing rates, a copy of the current forward pricing rate agreement shall be provided. If the rates are not negotiated forward pricing rates, then the basis for the proposed rates shall be explained.

The cost proposal shall be submitted in sufficient detail for the Government to examine the basis for the offeror's proposed costs. It is expected that there will be adequate competition; therefore, certified cost and pricing data may not be required. However, if at a later time it is determined that certification of such data is required, the Contracting Officer reserves the right to require certified, additional detailed cost data.

If an offeror fails to identify as part of its proposal an indirect cost rate that would otherwise be applicable to one of the support or subcontract cost items, it shall not be allowed to invoice for the indirect rate after award since the evaluation of its offer did not include that rate.

For assistance with preparing the Cost Proposal, offerors may review the Incurred Cost Electronically (ICE) Model on the DCAA website at www.dcaa.mil and/or contract their local DCAA office, which can be found using the Audit Office Locator by zip code on the previously mentioned website.

To assist the Government in determining reasonableness/realism for this effort, the offeror shall provide sufficient detailed cost information with the proposal to support the costs proposed. The cost proposal shall be in accordance with the instructions and format shown below. ALL TABLES MUST BE COMPLETED IN MICROSOFT EXCEL FORMAT. IN SUBMITTING THE ELECTRONIC VERSION OF THE COST PROPOSAL, OFFERS SHALL NOT HIDE FORMULAS OR CELLS. For each Breakdown provided in Microsoft EXCEL format, the Offeror must establish clear identifiable links and calculations, such that the Government is able to replicate the estimates provided.

Offerors shall complete the Subcontractor Summary table below, adding as many rows as necessary to include all proposed subcontractors:

SUBCONTRACTOR SUMMARY

Total Dollar Value of Proposal				
20% of Total Dollar Value of Proposal				
Total Manhours of Proposal				
25% of Total Manhours of Proposal				
	Total Dollar Value of Subcontractor Proposal	Greater than 20% of Total Dollar Value of Proposal? (Y or N)	Total Manhours of Subcontractor Proposal	Greater than 25% of Total Manhours of Proposal? (Y or N)
Insert Subcontractor 1 Name				
Insert Subcontractor 2 Name				
Insert Subcontractor 3 Name				

A cost breakdown for all years is required for all CLINs. Note: CLINs beginning with “X” indicates “All Years”. Offerors are to replace the “X” in the CLIN with the appropriate beginning numeric (0, 1, 2, 3, 4 or 5).

A cost proposal summary for all years is also required to be submitted in the format provided below. Offerors shall insert their proposed estimated costs for CLIN 0001 and X001 for each year. Offerors shall insert and apply their G&A **or** Material Handling Rate to the Government Provided Estimated Cost for CLINs 0002 and X002 for each year. For CLINs 0002 and X002, the Offeror’s proposed NTE cost is equal to the Government Provided Estimated Cost plus the Offeror’s G&A **or** Material Handling cost. The Government Provided Estimated Cost is provided in the spreadsheet requirements for CLINs 0002 and X002 listed below. Fee is not allowable under CLINs 0002 and CLINs X002. Offerors shall insert their proposed Firm Fixed Price for CLINs 0003 and CLINsX003.

COST PROPOSAL SUMMARY

ITEM	PHASE-IN PERIOD	OPTION PERIOD 1	OPTION PERIOD 2	OPTION PERIOD 3	OPTION PERIOD 4	OPTION PERIOD 5	TOTAL CONTRACT
CLIN 0001 Services to provide Phase-In Labor to implement DSS (Total Estimated		N/A	N/A	N/A	N/A	N/A	

Cost-Plus Award Fee (CPAF))							
CLIN 0002 Support Costs for CLIN 0001 (Total NTE)		N/A	N/A	N/A	N/A	N/A	
CLIN 0003 Facility Costs (Total Firm Fixed Price (FFP))							
OPTION CLINS X001 Labor to Perform Distribution Services for Depot Operation at DDKS (Total Estimated Cost-Plus Award Fee (CPAF))	N/A						
OPTION CLINS X002 Support Costs for CLINS X001 (Total NTE)	N/A						
OPTION CLINS X003 Facility Costs (Total Firm Fixed Price (FFP))	N/A						
TOTAL COST							

CLIN 0001 SERVICES TO PROVIDE PHASE-IN LABOR TO IMPLEMENT DSS

Offerors shall complete the Prime Labor table below for cost in support of services to provide the Phase-In labor to implement DSS. First, the Offeror shall insert the proposal paragraphs that address the labor required to accomplish the CLIN. The Government has provided the applicable PWS paragraphs for the CLIN. Under the PWS and proposal paragraph number, the Offeror shall insert all labor positions they propose to accomplish that work. For example, an Offeror could replace "Position (1)" with "Site Manager". Offerors shall identify the specific portion of each labor category required to accomplish the effort in that PWS paragraph. This could result in the FTE column having a value of less than one (1) FTE. Use of ¼ increments for FTEs is permissible (i.e. ¼, ½, and ¾). For each position, Offerors shall complete the dollar amount of the information requested by the header row (i.e. DOL Code, FTE, LABOR RATE, etc…). Under the LABOR RATE, Offers shall name and identify the specific Overhead percentages included in their fully burdened rate. For example, an Offeror could replace "OH (1)" with "Fringe Benefits 10%".

If the Offeror is proposing a major subcontractor in support of services to provide the phase-in labor for the implementation of DSS (defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort), the Offeror shall complete the Subcontracting Labor table in the same manner as the Prime Labor Tables. Any associated costs which the prime contractor incorporates into the subcontractor labor category rate shall be fully identified (ie. G&A, fee, etc.). In the event the major subcontractor is unwilling to provide information regarding their benefits, overhead, G&A and fee directly to the prime, the Offeror shall ensure the subcontractor submits the required information directly to the Government by the time and date established by the Government. It is the Offeror's responsibility to ensure that the support documentation is received by the Government within the timeframe required for submission.

For subcontractors that do not meet the definition of "major subcontractor", the Offeror shall complete the Subcontracting Labor table by entering only the information in the last three columns (entitled "SUBTOTAL $", "PROFIT/FEE* ____%" and "TOTAL BURDENED COST $"). No additional cost information is required to be submitted for subcontractors that do not meet the definition of "major subcontractor"

Offerors are reminded that all costs for CLIN 0004, Reports, are to be included in the cost for CLIN 0001.

The Offeror shall not address any support costs associated with <u>services to provide the phase-in labor for the implementation of DSS.</u> These costs are applicable to CLIN 0002. A separate breakdown of support costs is not required under this CLIN, as the Government has provided an Estimated Cost (see required table for CLIN 0002, Support Costs)

CLIN 0001 - PRIME LABOR TO SUPPORT PHASE-IN LABOR FOR THE IMPLEMENTATIONOF DSS												
			LABOR RATE									
*if applicable	DOL CODE *	FTE	BASE RATE	OH (1) ___%	OH (2) ___%	FULLY BURDENED RATE	HRS	TOTAL LABOR $	G&A ___%	TOTAL BURDENED COST $		
PWS PARAGRAPH C-1.9, C-1.9.1, C-1.9.1.1, C-1.9.1.4, C-1.9.1.5 & C-1.9.2PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PRIME PHASE-IN LABOR TOTAL												

CLIN 0001 – SUBCONTRACTING LABOR TO SUPPORT PHASE-IN												
			LABOR RATE									
	DOL CODE	FTE	BASE RATE	OH (1) ___%	OH (2) ___%	FULLY BURDENED RATE	HRS	TOTAL LABOR $	G&A ___%	SUBTOTAL $	PROFIT/ FEE* ____%	TOTAL BURDENED COST $
PWS PARAGRAPH C-1.9, C-1.9.1, C-1.9.1.1, C-1.9.1.4 ,C-1.9.1.5 & C-1.9.2 PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
SUBCONTRACTING PHASE-IN LABOR TOTAL												

* PROFIT/FEE – Subcontractor shall enter their profit if their contract with the Offeror is a fixed price arrangement. Subcontractor shall enter their fee if their contract with the Offeror is a cost type arrangement.

SUMMARY TABLE	TRANSITION PERIOD / TOTAL CONTRACT
CLIN 0001 – PRIME LABOR PHASE-IN COSTS	
CLIN 0001 – SUB LABOR PHASE-IN COSTS	
CLIN 0001 – TOTAL ESTIMATED LABOR COSTS	
AWARD FEE DOLLARS (__2__%)*	
TOTAL ESTIMATED COST PLUS AWARD FEE	

CLIN 0002 SUPPORT COSTS/ FOR CLIN 0001

Offerors shall complete the <u>dollar amount</u> of the information requested by the header row in the tables below. Offerors shall identify the specific rate applied to the Government Provided Estimated Cost (G&A **or** Material Handling Rate). Offerors shall also insert the proposed G&A **or** Material Handling Rate percentage into the header row. Offerors shall sum the Government provided Estimated Cost and their G&A **or** Material Handling Rate to arrive at the proposed Not-to-Exceed amount in the last column. No fee is allowed under this CLIN.

The Offeror's Not-to-Exceed amounts must match those entered in Section B.

	Government Provided Estimated Cost	G&A **or** Material Handling Rate *(Offeror to identify)*	NOT-TO-EXCEED (NTE)

		_____%	
CLIN 0002	$1,486,504.00	$	

CLIN X001 – OPTIONAL FULL PERFORMANCE PERIOD - LABOR TO PERFORM DISTRIBUTION SERVICES FOR DEPOT OPERATION AT DDKS

Offerors shall complete the Prime Labor table below for each option period (1-5). First, the Offeror shall insert the proposal paragraphs that address the labor required to accomplish the CLIN. The Government has provided the applicable PWS paragraphs for the CLIN. Under the PWS & proposal paragraph number, the Offeror shall insert all labor positions they propose to accomplish that work. For example, an Offeror could replace "Position (1)" with "Site Manager". Offerors shall identify the specific portion of each labor category required to accomplish the effort in that PWS paragraph. This could result in the FTE column having a value of less than one FTE. Use of ¼ increments for FTEs is permissible (i.e. ¼, ½, and ¾). For each position, Offerors shall complete the dollar amount of the information requested by the header row (i.e. DOL Code, FTE, LABOR RATE, etc…). Under the LABOR RATE, Offers shall name and identify the specific Overhead percentages included in their fully burdened rate. For example, an Offeror could replace "OH (1)" with "Fringe Benefits 10%".

If the Offeror is proposing a major subcontractor (defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort), the offeror shall complete the Subcontracting Labor table in the same manner as the Prime Labor Tables. Any associated costs which the prime contractor incorporates into the subcontractor labor category rate shall be fully identified (ie. G&A, fee, etc.). In the event the major subcontractor is unwilling to provide information regarding their benefits, overhead, G&A and fee directly to the prime, the Offeror shall ensure the subcontractor submits the required information directly to the Government by the time and date established by the Government. It is the Offeror's responsibility to ensure that the support documentation is received by the Government within the timeframe required for submission.

For subcontractors that do not meet the definition of "major subcontractor", the offeror shall complete the Subcontracting Labor table by entering only the information in the last three columns (entitled "SUBTOTAL $", "PROFIT/FEE* ____%" and "TOTAL BURDENED COST $"). No additional cost information is required to be submitted for subcontractors that do not meet the definition of "major subcontractor"

Offerors are reminded that all costs for CLIN 0004, Reports, are to be included in the cost for CLIN X001.

CLIN X001 - PRIME LABOR TO PERFORM DISTRIBUTION SERVICES FOR DEPOT OPERATION AT DDKS												
			LABOR RATE									
	DOL CODE	FTE	BASE RATE	OH (1) ___%	OH (2) ___%	FULLY BURDENED RATE	HRS	TOTAL LABOR $	G&A ___%	TOTAL BURDENED COST $		
PWS PARAGRAPH C-1 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-3 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-4 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH												

C-5 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-6 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PRIME LABOR TOTAL												

CLIN X001 – SUBCONTRACTING LABOR TO PERFORM DISTRIBUTION SERVICES FOR DEPOT OPERATION AT DDKS												
			LABOR RATE									
	DOL CODE	FTE	BASE RATE	OH (1) ___%	OH (2) ___%	FULLY BURDENED RATE	HRS	TOTAL LABOR $	G&A ___%	SUBTOTAL $	PROFIT/ FEE* ____%	TOTAL BURDENED COST $
PWS PARAGRAPH C-1 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-3 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-4 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-5 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
PWS PARAGRAPH C-6 & PROPOSAL PARAGRAPH _____												
Position (1)												
Position (2)												
SUBCONTRACTING LABOR TOTAL												

* PROFIT/FEE – Subcontractor shall enter their profit if their contract with the Offeror is a fixed price arrangement. Subcontractor shall enter their fee if their contract with the Offeror is a cost type arrangement.

SUMMARY TABLE	OPTION PERIOD 1	OPTION PERIOD 2	OPTION PERIOD 3	OPTION PERIOD 4	OPTION PERIOD 5	TOTAL CONTRACT
CLIN X001 – PRIME LABOR COSTS						
CLIN X001 – SUB LABOR COSTS						
CLIN X001 – TOTAL ESTIMATED LABOR COSTS						
AWARD FEE DOLLARS (____%)*						
TOTAL ESTIMATED COST PLUS AWARD FEE						

CLIN X002 SUPPORT COSTS FOR X001

Offerors shall complete the dollar amount of the information requested by the header row in the tables below. Offerors shall identify the specific rate applied to the Government Provided Estimated Cost (G&A **or** Material Handling Rate). Offerors shall also insert the proposed G&A **or** Material Handling Rate percentage into the header row. Offerors shall sum the Government provided Estimated Cost and their G&A **or** Material Handling Rate to arrive at the proposed Not-to-Exceed amount in the last column. No fee is allowed under this CLIN.

The Offeror's Not-to-Exceed amounts must match those entered in Section B.

	Government Provided Estimated Cost	G&A **or** Material Handling Rate *(Offeror to identify)* _____%	NOT-TO-EXCEED (NTE)
CLIN 1002	$9,540,975.00		
CLIN 2002	$9,392,366.00		
CLIN 3002	$9,529901.00		
CLIN 4002	$9,405,903.00		
CLIN 5002	$9,534,542.00		
TOTAL CONTRACT	$47,403,687.00		

END OF SECTION L

SECTION M – EVALUATION FACTORS FOR AWARD

PROVISIONS INCORPORATED BY REFERENCE

PROVISIONS APPLICABLE TO ALL CLINS

	FAR Clause	TITLE	DATE
M-1	52.217-5	Evaluation Of Options	JUL 1990

PROVISIONS INCORPORATED BY FULL TEXT

PROVISIONS APPLICABLE TO ALL CLINS

M-2 DLAD 52.215-9010 All or None (IFB/RFP only) (AUG 2005)

(a) With respect to each item or group of items identified below, offers must be submitted for all items indicated. No award will be made for less than the full requirements shown in this solicitation for these items or groups.
CONTRACT LINE ITEMS: 0001, 0002, 0003, 1001, 2001, 3001, 4001, 5001, 1002, 2002, 3002, 4002, 5002, 1003, 2003, 3003, 4003, and 5003.
(b) If this is an Invitation For Bid (IFB), any offeror offering less than all of the solicitation requirements of the indicated item or group of items will be non-responsive.
(c) If this is a Request For Proposal (RFP), any offeror offering less than all of the solicitation requirements of the indicated item or group of items may be precluded from consideration for award if the Contracting Officer elects to make an award without opening discussions.
(d) Offerors are cautioned that submission of an offer for selected item(s) within a given group is unacceptable; offers must be for all item(s) within a given group. However, an offeror may submit an offer on any one or more groups.

(End of Provision)

M-3 EVALUATION OF PROPOSALS

1. Evaluation Approach

FAR 52.215-1, "Instructions to Offerors--Competitive Acquisition" is included in Section L of this solicitation. 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 and technical standpoint.

A proposal is considered **acceptable for award** if it (i) addresses itself to all the essential requirements of the solicitation, (ii) shows the offeror understands all essential requirements of the solicitation, and has demonstrated a full capability to perform the prospective requirements, (iii) offers a feasible technical approach, and (iv) although some clarification of a **weakness** may be desirable, the proposal is complete to the extent that an award could be made on its present terms.

A proposal will be considered **unacceptable for award** if it contains deficiencies (or a combination of weaknesses which equate to one or more deficiencies) which preclude award of the contract on the present terms of the proposal, which are not correctable, or the corrective action would require essentially re-writing the proposal or require the submission of an approach which would be new or almost entirely different from that previously proposed.

Proposals rated "unacceptable" on one or more of the Technical evaluation factors (Factors 1, 2, and 3) are ineligible for inclusion in the competitive range. A rating of "unacceptable" on any subfactor will result in a rating of "unacceptable" at the factor level. An initial rating of "Unacceptable" in the Past Performance Factor will not automatically eliminate an offeror from the competitive range, but may be considered in making the competitive range determination if communications have been conducted pursuant to FAR 15.306(b)(1)(i). Communications shall be

held with offeror(s) whose past performance information is the determining factor keeping them from being placed within the competitive range if the communications are necessary to allow them to address adverse past performance information to which the offeror(s) had not had a prior opportunity to respond.

It is the intention of the Government to award without discussions; however, if it is determined that discussions are required then the competitive range will include all proposals which are considered to be the most highly rated and may include those that are considered to have a reasonable chance of being selected for award, unless the competitive range is further limited in accordance with FAR 15.306(c)(2).

Those offerors whose proposals do not fall into the competitive range will be so notified as prescribed by FAR 15.503(a)(1). Offerors will be notified in writing with a concise explanation of their proposal deficiencies without jeopardizing the competitive range.

Those offerors whose proposals are determined by the PCO to be in the competitive range will be contacted by the Contract Specialist for discussions. Exchanges (i.e. negotiations) will be conducted in accordance with FAR 15.306(d). If verbal discussions are held they will be followed by a written reiteration of the discussion. Written discussions may also be held, whereby the Government provides a written list of discussion questions to each offeror, as appropriate. In the case of both verbal and written discussions, the offeror will provide a written response to the discussion question and revision to the proposal as required. More than one (1) round of discussions may be held. At the conclusion of final discussions, the Government will request each offeror in the competitive range to submit a Final Proposal Revision (FPR).

If discussions are held, in accordance with the evaluation criteria, a proposal may be determined "unacceptable" for award if any of the Technical Evaluation Factors are rated as unacceptable following evaluation of final proposal revisions.

After discussions are held, a rating of “Susceptible to Being Made Acceptable” will not be a final rating. Offers that contain a rating of “Susceptible to Being Made Acceptable” prior to discussions will either have an increase of the rating from “Susceptible to Being Made Acceptable” to at least “Acceptable” or a decrease of the rating from “Susceptible to Being Made Acceptable” to “Unacceptable” based upon the revisions received during discussions.

2. Basis for Contract Award.

The award of a contract as a result of this solicitation will be based on a Best Value/Trade Off assessment by the Source Selection Authority (SSA) of the results of the evaluation based on the evaluation factors and their importance as indicated below. The integrated assessment may include consideration of the strengths and weaknesses of the proposals, and, if deemed necessary by the SSA, consideration of tradeoffs between technical/past performance evaluation and cost. Ultimately, the source selection decision will take into account the offeror's capability to meet the requirements of this solicitation on a timely and cost effective basis. Restating the PWS requirements is unacceptable and will be grounds for determining the proposal unacceptable and removal from the competitive range. The Government reserves such right of flexibility in conducting the evaluation as is necessary to assure placement of a contract in the Government's best interest. Accordingly, the Government may award any resulting contract to other than the offeror with the lowest cost, or other than the offeror with the highest evaluation ratings.

The contract resulting from this solicitation will be awarded to that responsible offeror whose offer, conforming to the solicitation, is determined most advantageous to the Government, cost/price and other factors considered. The offeror's proposal shall be in the form prescribed by this solicitation and shall contain a response to each of the areas identified which affects the evaluation factors for award.

Proposals which are unrealistic in terms of technical or schedule commitments or unrealistically high or low in cost may be deemed reflective of an inherent lack of technical competence, or

indicative of a failure to comprehend the complexity and risks of the proposed work, and may be grounds for rejection of the proposal. If the proposed contract requires the delivery of data, the quality of organization and writing reflected in the proposal will be considered to be an indication of the quality of organization and writing which would be prevalent in the proposed deliverable data. Subjective judgment on the part of the Government evaluators is implicit in the entire process. Throughout the evaluation, the Government will consider "correction potential" when a deficiency is identified.

As allowed by the provision FAR 52.215-1, INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION, Section L of this solicitation, the contract award may be made on the basis of initial offers received without discussions. Consequently, a proposal submitted in response to the solicitation should contain the offeror's best product in terms of technical content and cost realism and reasonableness. However, after evaluations are completed, if award cannot be made on the basis of initial offers, discussions will be conducted only with those offerors determined to have a reasonable chance for award.

The Government reserves the right to make an award to other than the lowest priced offeror or to the offeror with the highest technical score if the Contracting Officer determines that to do so would result in the greatest value to the Government.

Evaluation of Indirect Rates Applicable to Support Costs:

(1) The determination of the magnitude of the cost proposal will be based upon adding all respective Contract Line Item Numbers (CLINs) for the proposed costs for the labor effort portion as well as all CLINS for the support costs portion. It should be noted that the support costs shall be reimbursed on the basis of actual reasonable and allowable costs incurred plus any G&A only (no fee).

(2) If the offeror's DCAA adequate accounting system includes the application of any other indirect cost rates (in addition to G&A) to the support cost items, those rates shall be identified in the proposal and will also be added to the respective CLIN amount for G&A/Handling costs. An example would be when the offeror's adequate accounting system includes application of a material handling rate to direct material costs and then application of a G&A rate to the subtotal of direct materials plus the material handling costs.

(3) ***If an offeror fails to identify***, as part of its proposal, an indirect cost rate that would otherwise be applicable to one of the support and subcontract cost items, ***it shall not be allowed to invoice*** for the indirect rate after award since the evaluation of its offer did not include that rate.

(4) If the proposed indirect rates associated with the support costs are not consistent with DCAA information for that offeror, the proposed rates may be adjusted for realism when applied for evaluation purposes.

3. Relative Order of Importance – Factors and Subfactors

All evaluation factors (1 through 4) individually and when combined is significantly more important than cost/price. The Government will evaluate proposals based on the following four (4) factors, listed here in descending order of importance:

Factor 1: Mission Capability
- Subfactor (a): Operations
- Subfactor (b): Equipment
- Subfactor (c): Transportation

Factor 2: Management Capability
- Subfactor (a): Distribution Management
- Subfactor (b): Resourcing
- Subfactor (c): Plans

Factor 3: Location and Physical Layout of Facilities
Subfactor (a): Facilities
Subfactor (b): IT Infrastructure
Subfactor (c): Security

Factor 4: Past Performance Record

Mission Capability Factor has three (3) subfactors listed here in descending order of importance: Operations, Equipment, and Transportation.

Management Capability Factor has three (3) subfactors: Distribution Management, Resourcing and Plans. All subfactors under the Management Capability Factor are weighted equally.

Location and Physical Layout of Facilities has three (3) subfactors: Facilities, Information Technology Infrastruture, and Security. All subfactors are weighed equally.

Past Performance Factor has no subfactors. All evaluation factors (1 through 4) individually and when combined is significantly more important than cost/price.

The Government intends to award a contract to the responsible offeror whose proposal represents the best value to the Government, in accordance with the factors in the solicitation. Ultimately, the source selection decision will take into account the offeror's capability to meet the requirements of this solicitation on a timely and cost effective basis. The Government may elect to award the contract to other than the lowest price offeror or the offeror with the highest evaluation rating.

As stated in Section L (Section I, Volume II), each offeror is required to submit a cross-walk index and a "Best Value" benefits table. These are considered submittal requirements of the RFP, and as such are not a rated section. However, if the cross-walk or "Best Value" benefits table is omitted, the Contracting Officer may find the offeror to be unacceptable.

FACTOR 1: MISSION CAPABILITY
The Mission Capability Factor has three (3) subfactors: Operations, Equipment and Transportation.

SUBFACTOR a: OPERATIONS –
The offeror's proposal will be evaluated on how well the proposed technical approach provides effective Distribution Services, Warehouse Operations, and Inventory Management.

SUBFACTOR b: EQUIPMENT -
The offeror's proposal will be evaluated on how well the proposed technical approach provides effective Equipment Management, utilization, and reporting.

SUBFACTOR c: TRANSPORTATION -
The offeror's proposal will be evaluated on the extent to which the proposal demonstrates a sound technical approach, including the degree to which the proposal demonstrates a thorough understanding of transportation requirements for inbound and outbound shipments and ability to transport material.

FACTOR 2: MANAGEMENT CAPABILITY
The Management Capability Factor has three (3) subfactors: Distribution Management, Resourcing and Plans.

SUBFACTOR a: DISTRIBUTION MANAGEMENT -
The offeror's proposal will be evaluated on how well the proposed technical approach achieves Total Management of the operation inclusive of an effective method for interfacing with Corporate Level Management and Dependencies.

SUBFACTOR b: RESOURCING -
The offeror's proposal will be evaluated on how well the proposed technical approach provides an effective Depot Level Organizational Structure inclusive of a trained, qualified, and capable workforce proficient in all Depot operations and systems.

SUBFACTOR c: PLANS -
The offeror's proposal will be evaluated on how well the proposed technical approach demonstrates a Quality Control/Customer Satisfaction Plan, Phase in and Phase-Out Plan, and, Surge Sustainment Disaster Recovery Plan (SSDRP) that are effective and efficient. The proposed plans shall demonstrate the offerors approach to operational preparedness capability and provide the assurance that the offeror will satisfy the performance requirements during periods of operational adversity, including maintaining contract compliance during operational disruptions, emergencies, military deployments, and periods of increased workload.

FACTOR 3: LOCATION AND PHYSICAL LAYOUT OF FACILITIES
The Location and Physical Layout of Facilities has three (3) subfactors: Facility(s), Information Technology Infrastructure, and Security.

SUBFACTOR a: FACILITY -
The offeror's proposal will be evaluated on the extent to which the actual facility demonstrates a sound technical approach including the advantages of the physical characteristics of the facility in terms of: size, type construction, electrical power, lighting, AC, loading docks, access doors, arrangement and number of storage aids, MHE, MME, fire suppression equipment and a description of how the physical structure and location proposed will be utilized to meet all requirements of the solicitation. This evaluation criteria applies only to the Government's minimum physical space requirements at time of award which consists of the following; 1.5 million square feet of indoor space; 1 million square feet of outdoor storage space and; 40 thousand square feet of government office space. The results from an on-site Government conducted site assessment survey will be evaluated as part of the offeror's technical proposal. A check list is attached at Section J-3 of this solicitation to provide offerers the criteria the team of government personnel conducting the site assessment survey will be evaluating. To be acceptable, at the time of the site assessment survey using the checklist, the offeror's facilities must be 95% complete and the contents required to be incorporated in to the facilites (see Section C.1.9.1.4) must be 85% complete. The remaining 15% of contents required within the facilities shall be completed by time of award.

SUBFACTOR b: INFORMATION TECHNOLOGY INFRASTURE -
The offeror's proposal will be evaluated on the extent to which the proposal discusses the required information technology infrastructure to support DSS capabilities.

SUBFACTOR c: SECURITY -
The offeror's proposal will be evaluated on the extent the proposal demonstrates the ability to meet th security requirements outlined in section 1.4 of the PWS.

FACTOR 4: PAST PERFORMANCE
The Government may utilize the Federal Past Performance Information Retrieval System (PPIRS), the Contractor Performance Assessment Reporting System (CPARS), responses received from the Past Performance Questionnaire (Attachment J.3), data submitted by the offeror in Volume III, and any other information available to determine the quality and relevance of the offeror's past performance.

Each proposal will be evaluated to the extent to which the offeror has demonstrated an ability and willingness to perform: 1) A quality product or service (i.e. the conformance to contract requirements, specifications, and standards of good workmanship); 2) Timeliness of the contract with regard to completion of contract, delivery orders, milestones, delivery schedules and

administrative requirements (e.g., effort that contributes to or affects the schedule variance); 3) Acceptable cost control with regard to the offeror's effectiveness in forecasting, managing, and controlling contract cost; 4) Good business relationships with regard to the timeliness, completeness and quality of problem identification and resolution, offeror's history of reasonable and cooperative behavior, customer satisfaction, timely award and management of subcontracts, and whether the contractor met their small/small disadvantaged and women owned business participation goals; and 5) Management of key personnel with regard to demonstration of a commitment to the management of key personnel with regard to the offeror's performance in selecting, retaining, supporting, and replacing, when necessary, key personnel.

The Government will only consider relevant past performance data of the offeror and its major subcontractors. A major subcontractor is defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort. Subcontractors not meeting the definition of a "major subcontractor" will not be evaluated. To be considered relevant, the offeror must demonstrate past execution of similar contracts in terms of complexity, technology, magnitude of effort, schedule, and scope. Additionally, the performance must have occurred during the last five (5) years. Offerors without a record of relevant past performance or for whom information on past performance is not available will not be evaluated favorably or unfavorably on past performance and, as a result, will receive a "Neutral" rating for past performance. Should the Government discover adverse past performance information to which the offeror(s) had not had a prior opportunity to respond, the PCO will conduct communications if deemed appropriate.

4. Cost Proposal

The offeror shall have an accounting system, determined by the Government to be adequate to support the Cost Reimbursable line items on the resultant contract.

Although cost is not adjectivally rated or combined with the other evaluation factors to establish a merit rating, it will be assessed as part of the best value analysis. In those evaluations where all other evaluation factors, individually and when combined, are significantly more important than cost, the degree of importance of the cost factor will increase with the degree of equality of the proposals in relation to the other factors on which selection is to be based.

The Government will assess the realism of the offeror and its major subcontractor's pricing to determine the most probable cost the Government would expect to pay for performance of the contract. However, if the offeror's technical proposal is found unacceptable the Government will not assess the realism of the offeror's cost proposal. A major subcontractor is defined as those providing twenty percent (20%) of total dollar threshold AND/OR twenty-five percent (25%) of total man-hour effort. Subcontractors who do not meet the definition of "major subcontractor" will not be evaluated for realism. This assessment will determine if the offeror's pricing is: 1) reasonable; 2) realistic for the work to be performed; 3) reflects a clear understanding of the requirements; and 4) is consistent with the various elements of the offeror's technical approach.

Cost Realism analysis will be performed on all cost reimbursement CLINs to develop an evaluated most probable cost for each CLIN. A Total Evaluated Contract cost will be derived by adding the Offeror's evaluated most probable cost for each cost reimbursement CLIN and the Offeror's proposed price for each Firm-Fixed-Price CLIN, for the Transition and all option periods. In evaluating cost type offers, realism of the offeror's estimated cost will be considered. "Realism of Estimated Cost" is determined by reference to the costs which the offeror can reasonably be expected to incur in performance of the contract in accordance with the offer. The purpose of the evaluation is to: (1) verify the offeror's understanding of the requirements; (2) assess the degree to which the cost proposal reflects the approaches and/or risk that the offeror will provide the supplies or services at the proposed costs; and (3) assess the degree to which the cost included in the cost proposal accurately represents the effort described in the technical proposal. The proposed costs may be adjusted for purposes of evaluation based on the results of the cost realism evaluation.

a) Evaluation of CLINs 0001, 1001, 2001, 3001, 4001, and 5001 (Cost-Plus Award Fee (CPAF) CLINs):
The Government will assess the Offeror's proposed estimated cost on a realism basis, considering the offeror's proposed Hours, Direct and Indirect rates. The Government will utilize rate information received from DCAA to assist with the evaluation. If the proposed direct and indirect rates are not consistent with DCAA information for that offeror, the proposed rate(s) may be adjusted for realism when applied for evaluation purposes. Similarly, the Offeror's proposed hours may also be adjusted for realism when applied for evaluation purposes. Once all realism adjustments have been made, the Government will then calculate the dollar amount of the award fee applied for evaluation purposes by multiplying the proposed award fee percentage by the estimated cost (which has been adjusted for realism, if necessary). The most probable cost for these CLINs will equal the Offerors' proposed cost, adjusted for realism if necessary, plus the award fee.

b) Evaluation of CLINs 0002, 1002, 2002, 3002, 4002, and 5002 (Cost Reimbursement, No Fee CLINs):
The Government has provided an estimated cost for these CLINs. As stated in Section L, Offerors shall apply their G&A **or** Material Handling Rate to the Government provided Estimated Cost to arrive at the proposed Not-to-Exceed amount. The Government will assess the proposed G&A **or** Material Handling Rate for realism. The Government will utilize rate information received from DCAA to assist with the evaluation. If the proposed rate is not consistent with DCAA information for that offeror, the proposed rate may be adjusted for realism when applied for evaluation purposes. The most probable cost for these CLINs will equal the Government provided Estimated Cost plus the Offerors' G&A **or** Material Handling costs, adjusted for realism if necessary.

c) Evaluation of CLINs 0003, 1003, 2003, 3003, 4003, and 5003 (Firm-Fixed-Price (FFP) CLINs):
Price analysis will be conducted in accordance with FAR 15.404-1(b). The offered prices will not be adjusted as a result of the analysis.

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SECTION C - PERFORMANCE WORK STATEMENT (PWS)

A. The Defense Logistics Agency (DLA) is a United States (U.S.) Department of Defense (DoD) agency that provides worldwide logistics support for the missions of the Military Departments and the Unified Combatant Commands under conditions of peace and war.

B. In support of DLA's mission, the Defense Distribution Center (DDC) is a combat support organization providing a single, unified material distribution system for DoD under DLA management. The DDC mission is to provide an integrated pipeline that sustains our Armed Forces around the world with innovative and tailored logistics services that are ever improving in terms of cost, timeliness and relative value. The DDC vision is to provide best value, competitive distribution services to the war fighter around the world, around the clock. The DDC responsibilities include receipt, storage, issue, packaging, and worldwide transportation of all items placed under its accountability by the DLA and the military services. The DDC also performs distribution services that are unique to a particular customer.

C. The DDC currently has Distribution Depots located throughout the world that store four million stock numbers in over 200 million square feet of storage space and process over 32 million transactions annually. DLA's standard automated system for distribution processing of DoD materials is the Distribution Standard System (DSS).

D. The Defense Logistics Agency (DLA) requires the establishment of a Contractor-Owned/Contractor-Operated (COCO) distribution depot within 30-miles of Camp Arifjan, Kuwait. This depot will be identified as Defense Distribution Depot Kuwait (DDKS), and provide support to all operations within the CENTCOM Area of Responsibility (AOR). The distribution depot will facilitate timely delivery of supplies and material to service members, decreasing delivery time and increasing readiness and capabilities of US Forces.

E. The primary mission of DDKS will be to perform receipt, storage (to include stock readiness functions), issue functions, and cross-docking and/or transshipment operations in support of CENTCOM customers.

F. The PWS details the requirements associated with warehouse and distribution operations performed in the Defense Distribution Depot Kuwait SWA (DDKS) and consists of the following Sections that should be read as a single interrelated document:

1. Section C-1, General Conditions and Requirements
2. Section C-2, Definitions and Acronyms
3. Section C-3, Government-Furnished Property (GFP), Systems, Training and Support Services
4. Section C-4, Contractor-Furnished Facilities, Equipment, Material, Training, and Support Services
5. Section C-5, Specific Tasks
6. Section C-6, Applicable Directives, Publications, Instructions, Forms and Reports
7. Section C-7, Technical Exhibits (TEs)

Throughout the contract, the term "Contractor" includes subcontractors.

SECTION C-1 GENERAL CONDITIONS AND REQUIREMENT

This Section provides general information relating to the conditions of operation and general requirements relating to the material and distribution services performed at Defense Distribution Depot Kuwait, SWA (DDKS).

1.1 SCOPE OF WORK

A. The Contractor shall perform warehouse and distribution operations requirements using DSS as set forth in this contract (DSS is written in the English language). Contractor shall provide all management, personnel, supervision, facilities, materials, tools, equipment, transportation, and any other items and services not government-furnished (as specified in Section C-3, Government-Furnished Property (GFP), Systems, Training and Support Services).

B. From its in-stock inventory of over 300 million dollars, DDKS will provide wholesale and retail distribution support for the war fighters in the CENTCOM AOR and worldwide customers.

C. DDKS's primary mission is to plan, program, manage, and execute efficient and effective receiving, storage, inventory, packaging, Care of Supplies in Storage (COSIS), stock control, stock selection, issue processing, packing, shipping, and distribution of repair parts/secondary items in support of CENTCOM customers. In addition to the distribution services, DDKS performs a theater consolidation and shipping point (TCSP) for CLASS II, III(P), IV, IX entering theater. DDKS consolidates and segregates shipment from multiple sources for onward shipment directly to the customer by the appropriate conveyance. Shipments are processed within 24-72 hours, based on theater transportation schedules. Services include but are not limited to cargo receipt, consolidation and shipping, cross-docking operations, container receipt, unstuffing and stuffing operations; in-transit visibility, positive asset control, and transportation documentation and activeRFID (aRFID) tag application.

D. DLA managed workload constitutes the majority of the distribution function to be performed by DDKS.

1.2 GENERAL OPERATING CONDITIONS

1.2.1 INTERACTIONS WITH OTHER GOVERNMENT ORGANIZATIONS

A. The Contractor's primary interaction with the Government shall be through the Continuing Government Activity (CGA). The CGA will be located at DDKS and will:

1. Perform all Contracting Officer's Representative (COR) functions.

2. Perform quality assurance evaluations of the Contractor's performance.

3. Provide the primary interface between the Contractor, local customers and the DDC.

4. Provide interface between the Defense Enterprise Computing Center (DECC), DLA J-6N, and the Contractor.

The Mission and Functions Statement for the CGA is available in the Technical Library.

B. The Contractor shall interface with and support owners/Inventory Managers, Inventory Control Points (ICPs), other Material Distribution Activities, and DLA Primary Level Field Activities and other customers as needed to accomplish the contract requirements.

1.2.2 FEDERAL HOLIDAYS

A. Federal holidays generally observed by government personnel include:

Observed Federal Holidays	
New Year's Day	Martin Luther King Day
Presidents Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veterans Day
Thanksgiving Day	Christmas Day

B. In the event an Executive Order issued by the President of the United States declares Agencies of the Federal Government closed for a regularly scheduled workday, the Contracting Officer's Representative will determine and advise the contractor on whether services are required for that day.

1.2.3 DUTY HOURS

A. The Contractor shall perform all services and support 24 hours a day, 7 days a week including official holidays, if required to meet contract performance standards. Normal operating hours shall be from 0700 to 2000 hours, 6 days per week (Saturday through Thursday). However, the site must be continuously occupied and operated 24 hours, seven days per week. The Contractor shall support emergency requisitions outside of normal duty hours as directed by the KO or designee. The Contractor shall process Customer material release orders regardless of time or day, or when they are received. The Contractor shall provide emergency support for customer requirements outside of normal duty hours as directed by the KO or designee.

1.3 KEY PERSONNEL

A. The Contractor shall have personnel who can read and speak the English language as the primary and an alternate site manager who have full authority to act for the Contractor on all matters relating to Contractor operations. The Site Manager and Alternate Site Manager shall be capable of receiving instructions in English and translating the instructions in the language of their workforce. The KO will have the right to determine whether the proposed

representative has sufficient English capabilities. The Contractor shall immediately replace any individual not acceptable to the KO.

B. At a minimum, the Site Manager and Alternate Site Manager shall each possess a degree in Distribution Management or Business Management (minimum Bachelor's Degree) and at least five years of experience in Distribution Management, or at least ten years of progressive management experience in distribution operations similar in size and complexity to the operation offered in the contract. The primary and alternate Site Managers shall be fluent in speaking, reading and writing the English language, have a thorough knowledge of host country infrastructure and labor availability, host country labor laws; and the host country's environmental laws and standards. Upon notification, the Site Manager or Alternate Site Manager shall be available to meet in person with Government personnel within one hour during normal duty hours and within two hours outside of normal duty hours. The Contractor shall provide the names and telephone numbers (to include mobile telephone and pager, as applicable) of the primary and alternate Site Managers, in writing at the start of phase-in period. In the event of the replacement of the primary and/or alternate Site Manager, the Contractor shall notify the KO or designee, in writing, of such replacement and provide the name(s) and telephone number(s) at least 15 calendar days prior to a planned replacement and within 24 hours following an unplanned replacement. **See DDC 52.237-9W35 SUBSTITUTION OR ADDITION OF KEY PERSONNEL (AUG 2008)**

1.4 SECURITY

A. Contractor personnel shall conduct themselves IAW acceptable business decorum at all times. The Contractor shall remove any individual from the site whose continued presence or employment is deemed by the KO or designee to be contrary to the public interest, deemed to adversely affect health, morale, welfare, or good order and discipline inconsistent with the best interests of national security.

B. The Contractor and its personnel shall comply with the following security-related regulatory guidance:

1. DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply.

2. DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Information Security Program

3. DLAI 5200.12, DLA Information Security Program

4. DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Operational Security (OPSEC) Program

5. DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Physical Security Program

6. DLAI 5710.1, DLA Physical Security Program

7. DoD 5200.1-R, DoD Information Security Program

8. DoD 5200.2-R, Personnel Security Program

9. DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)

10. DoD 5220.22-R, Industrial Security Regulation

11. DoDI 5240.6, Counterintelligence (CI) Awareness and Briefing Program

12. UFC 4-010-01, DoD Minimum Anti-Terrorism Standards for Buildings

13 UFC 4-022-01, Security Engineering: Entry Control Facilities/Access Point

14. Joint Security Directive (JSD) Antiterrorism/Force Protection Guide, 6/3/02

15. DoD O-2000.12-H, DoD Antiterrorism Handbook, 2/9/04

1.4.1 FACILITY SECURITY

A. The Contractor shall comply with physical security requirements outlined in DLAI 5710.1, DLA Physical Security Program. Specific areas of concern for physical security include, but are not limited to: Site Layout and Construction; Barriers; Entry Control Points, Security Forces; Individual Protective Measures; Physical Security for Installations; Physical Security for Government personnel, which are addressed in the DLAI 5710.1, DLA Physical Security Program.

B. The Contractor shall provide a marshalling yard at the entry to the Contractor's property. The Contractor shall provide unarmed, trained, and certified Canine Detection Service (CDS) teams to conduct physical searches of all vehicles prior to entry into the DDKS secured area.

C. The Contractor shall control access by locking or unlocking the areas or facilities used in the performance of the contract requirements. The Contractor shall lock all internal overheads, cages, vaults, warehouse doors, and other areas for reasons of internal security before leaving an area unattended and prior to the conclusion of any working day. The Contractor shall lock all external cargo and personnel doors when not in use. The Contractor shall install and use a video surveillance system to augment physical security measures.

D. The Contractor shall enact operational procedures that will ensure movement of authorized personnel into and out of secure facilities. The Contractor shall safeguard combinations and provide them to only authorized personnel. The Contractor shall change combinations no less than annually and when any personnel having access to the combination are reassigned, separated, or no longer have a need for this information, or the combinations have been subjected to compromise.

E. In the event the Contractor's facilities are found unsecured, the Contractor's Point of Contact (POC) shall secure the area when notified and inform the KO or designee of the results. The Contractor shall immediately report any security violations to the KO or designee.

F. For more information, see DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply.

1.4.2 REPORTING OF CRIMINAL VIOLATIONS

A. The Contractor shall report to the KO or designee any suspected, alleged, or actual criminal incidents IAW DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: Reporting of Criminal Incidents.

1.4.3 AUTHORIZED VISITOR CONTROL

A. The Contractor shall develop specific procedures for identification and control of authorized visitors to warehousing and administrative areas and submit to the KO or designee for approval. The Contractor's procedures shall include the following:

1. Positive methods of establishing the authority for admission of visitors, as well as any limitations concerning access.

2. Positive identification of visitors by means of personal recognition, visitor security badge, visitor permit, or other identifying credentials. The Contractor shall contact the employee, supervisor, or officer in charge to ascertain the validity of the visit.

3. Using the DLA Form 584 or Contractor equivalent form to provide a record of the identity of the off-base visitor, the time and the duration of the visit, and other pertinent control data. The Contractor may use an automated system instead of the DLA Form 584 provided the system records, at a minimum, the same data included on the DLA Form.

1.4.4 PERSONNEL CLEARANCE

A. The Homeland Security Presidential Directive 12 (HSPD-12) dated 31 July 08 has established new Credentialing Standards for contractors who require either physical access to a US controlled installation or access to government information technology (IT) systems. All positions involving computer activities require a minimum IT III category eligibility. The Government performs Personnel Security Investigations (PSI) to establish that applicants or incumbents either employed by the Government or working for the Government under contract are suitable for the job and/or are eligible for a public trust or sensitive position. The process for completing the background check requirements is time consuming, with cases of the checks taking up to five (5) months or longer, and the Government recommends that the Contractor begin the process as soon as contract award as possible.

B. To attest to the trustworthiness of DOD contractors and sub-contractors (U. S. Citizens, host-nation, and third country personnel) the Contractor shall ensure compliance with all CENTCOM/local commander access control requirements for vetting of trustworthiness and issuance of any access control credentials. The Contractor shall initiate background check requirements for all Third Country National (TCN) Contractor employees IAW TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements. The Contractor's background check shall include the following:

1. Search against the Federal Bureau of Investigation (FBI) Terrorist List
2. Search against Office of Foreign Control (OFAC) List
3. Search of Foreign Nationals Sanctions List
4. Search on all U.S. Federal/State/Local Fugitive List

5. Search of local law enforcement criminal records in TCN's country of citizenship/origin
6. Search against the European Union Terrorism List

The Contractor shall maintain a log of the status of the background checks and provide to the KO or designee bi-weekly during the phase-in period. The Contractor shall provide the final background check investigation documentation for each employee IAW TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements to the KO or designee upon completion of the investigation. The Contractor shall submit a Contractor Investigative Request (CIR) and a DD Form 2875 (See CIR and System Authorization Access Requests document in Technical Library) with the completed investigation documentation. (see paragraph C-1.4.4 Personnel Clearance).

C. Citizens of the ten countries listed below are prohibited access to the Depot and its geographically separate facilities unless the Depot Commander and Commander, US Army Central (USARCENT) Command, grant an exception. The Contractor shall maintain Letters of Exception with an approved Kuwaiti Criminal Investigation Division (CID) background investigation documentation package in the recipient's file.

1. Cuba
2. Iran
3. Iraq
4. Libya
5. North Korea
6. People's Republic of China
7. Russia
8. Sudan
9. Syria
10. Vietnam

D. The Contractor shall follow the following procedures when hiring U.S. Citizens:

1. Each Contractor employee shall complete an SF 85P, Questionaire for Public Trust Position, using the Office of Personnel Management (OPM) website, http://www.opm.gov (Federal Forms/Standard Forms) or the Electronic Questionaire for National Security Positions (e-QIP), and an OF 306, Declaration of Federal Employment (available on the OPM website).

2. The Contractor shall submit a hardcopy of the form with the employee's original signature and date, and two fingerprint cards (FBI Form, FD 258) to the KO or designee who will forward them to the DDC Security Office.

E. The SF 85P, OF 306, and fingerprint cards are submitted with the Contractor Investigative Request (CIR) annotating the appropriate designation and a DD Form 2875 (paragraph C-1.4.9, Information System Security).

1.4.5 KEY AND LOCK CONTROL OF CONTRACTOR OPERATED FACILITIES

A. The Contractor shall establish and maintain a Key and Lock Control Program IAW DLAI 5710.1, Physical Security Program One Book. The Contractor shall utilize an automated

key control system or an equivalent substitute as a means of key control. The Contractor shall designate in writing to the KO or designee a key custodian to manage the key control program by the start of full performance.

B. The Contractor shall submit a roster of employees with key or lock access to the KO or designee one week prior to end of phase-in. The Contractor shall provide the KO or designee updated rosters as information changes. The Contractor shall keep all keys within the Key and Lock Control Program under continuous accountability at all times and shall limit the number of individuals authorized to draw keys to a minimum commensurate with security and operational requirements. The Contractor shall not remove keys to warehouses and storage/industrial areas from the installation or issue them as personal possession keys.

C. The Contractor shall not duplicate keys or allow their use by unauthorized Contractor personnel. The Contractor shall report any deviation from these rules or lost keys within two hours after discovery of occurrence and submit a detailed written report by close of business (COB) the same working day. If lost keys are discovered at the end of the day and it is not possible to submit a written report to the KO or designee by COB the same working day, the Contractor shall submit the report within two hours of the beginning of business on the next working day.

1.4.6 IDENTIFICATION BADGE (ID BADGE)

A. In addition to the requirements reflected in C-1.4.4, Personnel Clearance, the Contractor shall issue a photo ID badge to all Contractor employees. The Contractor shall safeguard all ID Badges furnished to them. Contractor employees shall not share ID Badges. Each Contractor employee shall wear the ID Badge conspicuously on his/her outer clothing above the waist at all times while working in the Contractor's facilities. Personnel may be challenged and removed from the work area if the ID Badge is not worn. In the event that a Contractor employee damages or loses his/her badge, the Contractor shall report the lost or damaged badge within one working hour of damage or loss to the KO or designee. The Contractor shall return all Badges to the Government either within 24 hours of the completion of the contract or upon termination of an individual's employment, whichever comes first. Contractor personnel failing to return their Government issued badges are subject to criminal charges under USC Title 18, Chapter 1, Section 499 and 701.

1.4.7 VEHICLE ACCESS AND VEHICLE PARKING

A. Vehicular access to the facility shall adhere to standards established in accordance with DoDI 2000.16, DoD Antiterrorism Standards and DLAI 5710.1, DLA Physical Security Program. The Contractor shall obtain passes for all Contractor and personal vehicles requiring entry onto this facility and other US controlled camps in Kuwait. All Contractors entering the military camps listed herein shall conform to all Government Force Protection Measures and are subject to such vehicle searches as may be deemed necessary to ensure that no violation occurs.

1.4.8 RESERVED

1.4.9 INFORMATION SYSTEM SECURITY

A. The Contractor shall request Information Technology (IT) eligibility for an employee requiring access/passwords to DSS as identified in TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements and for access to other government-furnished data systems identified in TE 3.8, GF Data Systems. All positions involving computer activities require a minimum IT III category eligibility. (IT eligibility categories are defined in Section C-2.1, General Definitions.) The Contractor shall submit a Contractor Investigative Request (CIR) and a DD Form 2875 (See CIR and System Authorization Access Requests document in Technical Library). The Government will grant access once the background checks are completed (see paragraph C-1.4.4, Personnel Security). IT II eligibility is for positions that involve a degree of access other than data entry. The requirement for IT II eligibility is addressed in TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements for DSS Access.

B. All Contractor personnel provided with access to government-furnished computers and systems shall observe security policies and procedures as provided by the KO or designee. The Contractor shall notify the KO or designee within one hour when, for reasons of personnel resignation, reassignment, termination, or completion of portions of the contract, Contractor personnel no longer require access to government systems.

C. The Contractor shall observe all copyright agreements. In the interest of protecting government systems from computer viruses, the Contractor shall not use public domain software nor shall Contractor personnel download software from public bulletin boards or Internet websites. The Contractor shall use only commercial off-the-shelf (COTS), Contractor-developed, or government-furnished software in performance of the contract requirements. Should the introduction of a computer virus or malicious destruction of computer software, stored information, or hardware result from the use of public domain software or from software taken from a public bulletin board or Internet website, the Contractor shall be required to repair the damage and incur all costs at no expense to the Government and without impact on delivery schedules.

1.4.10 CONTACT OF A SUSPICIOUS NATURE

A. Contractor personnel who have been contacted under suspicious circumstances shall report that contact immediately, either verbally or in writing, to their supervisor who shall report it within two hours to the KO or designee for action. Key contacts for reporting purposes are defined as:

1. Contact with an individual (regardless of nationality) that suggests to the Contractor employee that an intelligence gathering or terrorist organization may have targeted him/her for possible intelligence exploitation.
2. A request by anyone (regardless of nationality) for illegal or unauthorized access to classified or unclassified sensitive information.
3. Contact with a known or suspected intelligence officer from any country.
4. Contact with a foreign diplomatic establishment, other than country of origin, whether in the U.S. or abroad, for personal or official reasons. Certain Contractor personnel in

positions designated as “sensitive” by the Government may also be required to inform their chain of command in advance of the nature and reason for contacting a foreign diplomatic establishment or travel to countries on the State Department list whose interests’ may be adverse to the United States

B. Additionally, Contractor personnel who have information about activities pertaining to espionage, terrorism, unauthorized technology transfer, sabotage, sedition, subversion, spying, treason, unauthorized release of classified or unclassified controlled information, or unauthorized intrusions into automated information systems shall report that information immediately to the KO or designee for action.

1.4.11 SAFEGUARDING INFORMATION

A. The Contractor shall not allow access or disclosure of information regarding the operations of the Depot to any government agency, non-government agency, or individual unless specifically authorized by the KO or designee. The Contractor shall provide documents and files to the KO or designee within one hour of receipt of the authorized request. All files are the property of the Government and the Contractor shall turn all files over to the KO or designee at the completion or termination of this contract.

B. The Contractor may be required to access data and information that is proprietary to a government agency/contractor or that is of such nature that its dissemination/use other than as specified in this contract would be adverse to the interests of the Government or others. The Contractor and its personnel shall not divulge or release data or information developed or obtained under performance of this contract except to government personnel who are authorized to receive the information or upon written approval of the KO or designee. The Contractor shall not use, disclose, or reproduce proprietary data that bears a restrictive legend other than as specified in this contract.

C. Disclosure of information regarding operations and services of the Depot to persons not entitled to receive it, or failure to safeguard any information that may come into the Contractor’s control in connection with work under this contract, may subject the Contractor, its agent, or its employees to criminal liability under USC Title 18, Crimes and Criminal Procedure, Part I, Crimes, Chapter 37, Espionage and Censorship, and Sections 793, Gathering, Transmitting or Losing Defense Information. Neither the Contractor nor its employees shall disclose or cause to be disseminated any information concerning the operations of the activity which could result in, or increase the likelihood of, the possibility of a breach of the Depot’s security or interrupt the continuity of the Depot’s operation.

1.4.12 POTENTIAL OPERATIONAL CONSTRAINTS

A. The Contractor shall comply with the unclassified force protection procedures as presented in the Joint Security Directive (JSD) Antiterrorism/Force Protection Guide of 03 June 2002 and DoD O-2000.12-H, DoD Antiterrorism Handbook dated February 9, 2004 and USCINCCENT OPORD 97-01B, dated January 4, 2002. This guidance will be available from the KO or designee. The Contractor’s facilities shall conform to procedures and standards listed in UFC 4-010-01, DoD Minimum Anti-Terrorism Standards for Buildings, and UFC 4-022-01, Security Engineering: Entry Control Facilities/Access Control Points.. The Government will perform an anti-terrorism vulnerability assessment of the facility(s) and the Contractor shall be responsible for implementation of all recommendations for antiterrorism enhancements.

B. Force Protection Conditions (FPCONs) may affect access to DDKS. The FPCON is established by higher national command authorities, and the DDKS Commander is responsible for implementing the proper response to progressive levels of terrorist threats. The Contractor shall display FPCONs at DDKS entrance gates. The Contractor shall adhere to and operate IAW any restrictions imposed as a result of a FPCON. Measures implemented under the various levels of terrorist threat may impact the Contractor's normal operational approach to distribution services and may require the Contractor to comply with the requirements in paragraph C-1.10, Mobilization, Sustainment and Disaster Recovery Efforts to ensure that distribution services are sustained during heightened security measures.

C. The Contractor shall implement additional measures IAW DoD O-2000.12H, DoD Antiterrorism Handbook based on the Force Protection Requirements imposed by CENTCOM/CFLCC. The measures include, but are not limited to:

1. Increase security spot checks of vehicles and persons entering the installation/facility.
2. Test of the mass emergency notification system.
3. Establish one entry control point to strictly enforce entry to the facility and randomly search vehicles.
4. Remove vehicles and objects (e.g. crates, trash containers) at least 10 meters away from buildings to reduce vulnerability to bomb attacks.
5. At the beginning and end of each workday, as well as at random intervals, inspect the interior and exterior of buildings for suspicious packages.
6. Implement mail-screening procedures to identify suspicious letters and parcels.
7. Inspect all commercial deliveries.
8. Verify identity of visitors and inspect their suitcases, parcels and other containers.
9. Conduct random patrols to check vehicles, people and buildings.
10. Randomly inspect food and water for evidence of tampering/contamination. Inspections should include delivery vehicles and storage area/containers.
11. Initiate contingency monitoring for biological and chemical agents as required. Suspend off-facility users from tapping into facility water system.
12. Increase standoff from buildings based on local threat. Implement a barrier plan to hinder vehicle borne attack establishing a standoff of at least 10 meters.

1.5 ENVIRONMENTAL, SAFETY, AND OCCUPATIONAL HEALTH (ESOH)

A. The DDC has committed itself to implementing an environmental, safety, and health management system that will cover all aspects of these programs. The Contractor shall coordinate their ESOH program with the KO or designee to ensure that their program meets minimum management system requirements and those actions taken by the Contractor to implement and sustain their ESOH program are appropriately documented in the DDC ESOH System.

B. The Contractor shall maintain ESOH standards consistent with all applicable Federal, Local regulations and the DDC ESOHMS. The Contractor shall inform employees of the ESOH program with emphasis on their rights and responsibilities.

C. The documentation of the DDC's ESOHMS consists of the following documents:

1. DDC Global ESOH Policy Statement
2. DDC ESOHMS Manual (DDC ESOHMS-100)
3. DDC ESOHMS Level 2 Procedures (DDC ESOHMS 210-217 inclusive)

D. The Contactor shall document and submit to the KO or designee a copy of their written ESOH Program no later than the start of full performance and shall provide updates and revisions to the ESOH Program within 30 calendar days of any change. The ESOH Plan shall address the Contractor's approach to conform with DDC's ESOHMS; ISO 14001; 2044, and OSHA 18001, 2007. The Contractor is not required to "certify" to ISO 14001 or OSHA's 18001 but to follow the tenets and adhere to the DDC and DLA Environmental Safety and Occupational (ESOH) Policy (available in the Technical Library). The Contractor shall:

1. Abide by and strive to achieve the ideals expressed in the DDC ESOH Policy Statement and make this statement available to all Contractor employees. The Contractor shall provide awareness training IAW DDC-ESOHMS-201, paragraph 4.3.
2. Identify ESOH risks IAW ESOH risk assessment processes documented in DDC ESOHMS-202E, paragraphs 4.0-4.7 and 4.9 and DDC-ESOHMS-202S paragraphs 4.1-4.5 and 4.9 and report them to the KO or designee.
3. Document ESOH legal and other requirements applicable to the requirements in the PWS and report them to the KO or designee upon request. The Contractor shall have a process for identifying and documenting applicable ESOH legal and other requirements.
4. Establish and document as appropriate ESOH performance objectives and targets IAW DDC-ESOHMS-204, paragraph 4.7 and 4.8 and communicate ESOH performance objectives and targets to the KO or designee.
5. Document and implement continuous process improvement plans (action plans) to achieve ESOH performance objectives and targets IAW DDC-ESOHMS-205 paragraphs 4.1-4.5 and communicate plans and progress to the KO or designee.
6. Assign and document roles and responsibilities for effective ESOH management system implementation at all relevant levels of the organization. The Contractor shall develop an organizational structure for ESOHMS implementation.
7. Ensure a competent workforce. The Contractor shall develop, document, and implement training plans for each individual to include ESOH training requirements and track completion and report to the KO or designee upon request.
8. Establish processes for communications with employees and to the KO or designee regarding ESOH matters. The Contractor shall maintain a record of all communications with respect to external ESOH matters and provide to the KO or designee upon request.

9. Be familiar with the document structure of the DDC's ESOHMS and include appropriate reference(s) to DDC's ESOHMS when reporting/providing ESOH information to the KO or designee. The Contractor shall have its own process for identifying and maintaining control documents.
10. Maintain "operational control" over those operations and activities associated with the significant ESOH risks.
11. Ensure Contractor's operations are covered under the appropriate emergency preparedness and response plan.
12. Ensure that processes and/or programs are documented and implemented to evaluate ESOH performance. At a minimum, the Contractor shall measure and monitor ESOH performance with respect to objectives and targets, continuous process improvements, key characteristics of the operations that can have significant impacts on the environment and personnel safety; accidents, ill health and incidents (including near misses), compliance with applicable ESOH legal and other requirements and report results of monitoring and measurement to the KO or designee upon request.
13. Establish processes for documenting and tracking nonconformance and/or non-compliance with applicable elements of the ESOHMS and ESOH requirements (legal or other). The Contractor shall develop and provide to the KO or designee corrective and preventative actions necessary and taken.
14. Establish and document processes for identification, maintenance, and retention of records associated with all matters of ESOH.
15. Establish and document processes for auditing conformance with the applicable elements of DDC's ESOHMS. The Contractor shall perform ESOHMS audits at least annually and submit those results to the KO or designee.
16. Use the DDC reporting formats and forms or equivalent IAW the DDC ESOHMS.

E. The Contractor shall notify the KO or designee immediately after the occurrence of all accidents and incidents resulting in either personal injury, loss of life or property damage to a government facility or equipment. The Contractor shall submit a completed copy of DLA Form 1591 and supplemental information within four working days of the accident or incidents. Additionally, the Contractor shall submit a copy of their current Log of Work Related Injuries and Illnesses OSHA Form 300A to the KO or designee no later than the 5th working day following the end of each quarter. (See C-6.6.1, Monthly Reports, Report Number 001, Log of Work Related Injuries and Illnesses, OSHA Form 300A).

1.5.1 HAZARD REPORTING PROGRAM

A. The Contractor shall establish a Hazard Reporting Program for employees to report hazards IAW DLAI 6055.1, Occupational Health and Safety Instruction, paragraph (E)(10)(c). The Contractor shall provide its employees with the procedures to report hazards including the following:

1. Identification of personnel to whom suspected hazards may be reported and when personnel should do so

2. Oral vs. written reports
3. Protection against reprisals for people filing reports

B. The Contractor shall encourage employees to make oral reports to supervisors as the most prompt and effective method of identification, especially for imminent hazards. The Contractor shall use DLA Form 1404 or Contractor equivalent, when reporting hazards in writing. The Contractor shall have forms readily available (either via hard copy or electronically) at workplaces for employees to use.

C. The Contractor shall investigate hazard reports as soon as possible and shall notify the KO or designee within one hour for imminent danger situations or potentially serious situations and three working days for all other hazardous conditions.

1.6 ELECTROSTATIC DISCHARGE (ESD) CONTROL PROGRAM

A. DDKS is not currently receiving Electrostatic Discharge materials (ESD), but it is possible to receive ESD in the course of the performance of the requirements. However the Contractor shall establish, implement and document an ESD Control Program and process Electrostatic Discharge Sensitive (ESDS) items IAW:

- MIL-HDBK 263, Electrostatic Discharge Control Handbook for Protection of Electrical and Electronic Parts, Assemblies, and Equipment (Excluding Electrically Initiated Explosive Devices) (Metric)
- MIL-HDBK 773, Electrostatic Discharge Protective Packaging
- MIL-STD 1686, Electrostatic Discharge Control Program for Protection of Electrical and Electronic Parts, Assemblies and Equipment (Excluding Electrically Initiated Explosive Devices)

B. The Contractor shall appoint an ESDS coordinator and provide his/her name and phone number to the KO or designee at the start of full performance. The ESDS coordinator shall ensure all regulatory requirements for ESDS material are followed; ensure all Contractor personnel who handle and process ESDS material are fully trained; and coordinate any audits that may be performed by other government agencies, manufacturers and users of ESDS material.

1.7 RESERVED

1.8 RESERVED

1.9 PHASE-IN

A. In order to allow for a smooth and orderly transfer of responsibility for Depot warehouse and distribution operations from the incumbent Contractor to the new Contractor, the Contractor shall participate in a period of phase-in during which the incumbent Contractor shall continue to perform the full range of distribution services performance requirements described in Section C. This period will commence upon execution of the contract and will continue for a period not to exceed 9 months. The beginning of full performance is anticipated to begin in the (10) month after contract award.

B. IAW Section L, Section 3, paragraph 3b of this solicitation, the Contractor shall provide a Phase-in Plan as part of the technical proposal. The Phase-in Plan of the successful offeror, as proposed or negotiated, will be incorporated into the terms and conditions of the contract.

C. The Contractor shall provide a Phase-In Plan with a detailed description of the approach, assumptions, actions, and timeline (Plan of Action and Milestones (POAM), which address each requirement/Contract Line Item (CLIN) separately as follows:

1. CLIN 0001
   - (a) Hiring Actions
   - (b) Training (other than DSS)
   - (c) GFE Transfer
   - (d) Warehouse Preparation
   - (e) DSS Implementation
   - (f) Additional IT infrastructure requirements
   - (g) DSS Cadre Training
   - (h) DSS Workforce Training
   - (i) DSS Planographs
   - (j) Mission Stock Inventories
2. CLIN 0002
   - (a) Support Actions for CLIN 0001 (e.g., material, supplies, travel, etc)

A graphic of the Government timeline to implement DSS is TE 1.1, DSS Installation/Implementation Timeline. (NOTE: The construction of facilities shall not be charged to any of the Phase-In CLINS (e.g., 0001, 0002, or 0003).

D. Prior to completion of the phase-in period, the KO or designee will assess the Contractor's completion of phase-in plan requirements. If the Contractor fails to successfully complete all tasks required under phase-in, the Government reserves the right to extend phase-in until all phase-in tasks are completed.

1.9.1 PHASE-IN REQUIREMENTS FOR CONTRACT LINE ITEM NUMBER (CLIN) 0001

A. The Phase-In Plan shall include the technical approach for all activities to include labor categories, equipment, material and supply to perform the phase-in requirements identified in the C-1.9 sub-paragraphs not specifically identified under paragraph C-1.9.4 (CLIN 0004).

1.9.1.1 HIRING AND TRAINING ACTIONS

A. The Contactor shall provide a phase-in plan detailing the approach to be used to hire qualified personnel to include the approach to conducting background checks IAW Section C-1.4.4, Personnel Clearance.

B. The Contractor shall identify the approach to be used to complete training requirements IAW TE 3.9, Government Furnished Training and TE 4.1, Contractor Furnished Training and any assumptions or actions the Contractor required the Government to perform.

C. At the beginning of phase-in, the Contractor shall have completed all required hiring actions for the leadership, IT staff, and support personnel for security, facilities maintenance and any other functions deemed appropriate by the Contractor functions IAW contract requirements. NLT the end of the fifth (5th) month from the effective date of the contract, the Contractor shall complete all required hiring actions for personnel who will comprise the DSS Cadre Training Team. The Government will provide DSS Training to the Contractor's DSS Cadre Team first (see paragraph C-1.9.1.5, Phase-in Requirements for DSS Implementation. NLT the end of the seventh (7th) month from the effective date of the contract, the Contractor shall complete all other hiring actions. All completed personnel hiring actions include obtaining required Personnel Clearance IAW C-1.4.4, Personnel Clearances. The Contractor's DSS Cadre Team shall complete DSS training for those positions identified in TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements for DSS Access, during the eighth (8th) and ninth (9th) month of phase-in, and all other training requirements identified in TE 3.9 and TE 4.1 for all employees prior to full performance. The Contractor shall identify the approach and timeline for all hiring actions to meet the requirements of the Contract to begin full performance. TE 1.1, DSS Installation/Implementation Timeline provides a graphic of the Government timeline.

1.9.1.2 GOVERNMENT-FURNISHED PROPERTY

A. Government-Furnished Property (GFP) is identified in TE 3.3, MHE Equipment, TE 3.4, Miscellaneous Equipment; TE 3.5, Office Equipment and TE 3.6 IT Equipment will be developed following completion of the IT Site Survey. The Government will make the IT Equipment available during the phase-in to complete the DSS Implementation and Training. The Government will make all other GFP available to the Contractor beginning the seventh month of full performance. The Contractor shall identify and provide all MHE requirements to perform in the first six months of full performance requirements since no GFP will be provided until the seventh month of full performance. For informational purposes, TE 1.4 is a list of the types and the quantities of equipment currently provided by the incumbent contractor and TEs 3.3 and 3.4 is a list of Government Furnished equipment that will be provided after the sixth month of full performance.

B. The Contractor shall perform a joint inventory of the GFE with Government personnel. The Government and Contractor will jointly develop a schedule for inspection and inventory of the GFE. Unless the Contractor notes an exception or existing damage to the condition of GFE, the GFE accepted by the Contractor shall be considered to be without damage and/or in the condition listed in the TEs. The condition of the GFE as listed in the TEs is for informational purposes only and should not be relied on by the Contractor in determining the condition of the GFE or its suitability for use. The Government will review only the equipment where the Contractor identifies an exception to the CC or damage above normal wear and tear. The KO or designee and the Contractor will resolve any discrepancies relating to the condition of GFE through negotiations.

C. The Government will update the automated property accountability system records to reflect the equipment/assets the Contractor has accepted. The KO or designee will provide the Contractor with a final equipment/asset list from automated property accountability system records once the inventory is completed. The Contractor shall review the list to ensure it

accurately reflects the equipment/assets inventoried and accepted, sign the automated property accountability system hand receipt, and return the signed list to the KO or designee within three working days.

1.9.1.3 MISSION STOCK INVENTORY

A. The Government will conduct a 100% inventory of all controlled items (Type Physical Inventory Code (TPIC) G) and a sample of all mission stock (TPIC N items) (see Technical Library for TPICs) during the phase-in period. The Government will notify the Contractor and the Contractor may observe the performance of these inventories by contacting the KO or designee to request the schedule. The Contractor is responsible for contacting the KO or designee and scheduling its participation in the performance of these inventories. Failure to participate in the mission stock inventories shall not serve as the basis for any equitable adjustment. Inventories are not scheduled during the last 30 calendar days of the phase-in period as this period will be reserved for the Government to conduct causative research, a performance review, and accountable balance transfer approval. As part of location survey requirements (see paragraph C-5.4.1.4, Location Surveys), the Contractor shall submit a schedule to the KO or designee for review/approval for the number of location surveys required to be performed between the date for assumption by the Contractor of full performance and September 30. This location survey schedule is to be received by the KO or designee for review and approval at least 30 calendar days prior to the conclusion of the phase-in period. A location survey conducted as a result of rewarehousing projects may be considered to have satisfied any open annual survey requirement providing the survey was properly entered and completed in DSS.

1.9.1.4 WAREHOUSE PREPARATION

A. The Contractor shall complete the following NLT contract award date:

1. Install warehouse storage aids to facilitate the performance of the requirements in C-5, Distribution Services and Performance Requirements to accommodate types and quantities of the material listed in TEs 1.6-List 1, 1.7-List 2 and 1.8-List 3, Snapshot of current NSNs in storage. Rack locations shall accommodate 40” X 48” pallets and bin locations shall accommodate 1 to 10 cubes to support storage requirements shown in TEs 1.6, 1.7 and 1.8.
2. Complete warehouse location markings IAW C-5.3.1, General Requirements for bin, rack and bulk storage locations.
3. Planograph all warehouse space in AutoCAD (see paragraph C-5.3.1.2, Planographs).

1.9.1.5 PHASE-IN REQUIREMENTS FOR DSS IMPLEMENTATION

A. The phase-in plan shall include all activities and costs specifically identified under paragraphs C-1.9.2, DSS Implementation and Training to include all material support costs.

B. The Contractor’s facilities shall be completed by the time of contract award. Within 30 days of contract award, the Contractor shall participate with the Government in the performance of an IT site survey to identify any LAN infrastructure upgrade requirements and requirements for any additional IT equipment to begin network/hardware installation within five (5) months of the contract award. Based on the results of the IT site survey, the Contractor shall:

1. Install electrical outlets for additional locations

2. Install additional conduit
3. Perform modifications or expansions to communications closets
4. Designate a DSS Training Room
5. Participate in DSS Functional Testing

C. The Contractor shall provide a detailed plan for the number of positions performing the functions in TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements for DSS Access. The Contractor's plan shall include the completed hiring actions and identification of individuals for the DSS Cadre Training Team five (5) months after contract award, who will receive DSS training for a five (5) week period as identified in TE 1.3 GF DSS Training. The Contractor's DSS Cadre Training Team shall train Contractor employees identified to perform the DSS functions in TE 1.2, DSS and DDKS IT Security/Background Check Functional Requirements for DSS Access, during months eighth (8th) and nine (9th) of phase-in and ensure all identified DSS operator positions are fully trained NLT the start of full performance.

D. During the DSS Cadre Training, the Government will demonstrate to the Contractor how to load the appropriate programs with intended DSS planograph locations. The Contractor shall complete DSS planographs by the end of the eight (8th) month after the effective date of the contract in order to begin receiving material the tenth (10th) month after contract award.

1.9.2 PHASE-IN REPORTS

A. During the phase-in period, the Contractor shall provide a weekly written report to the KO or designee on the status of the tasks outlined in the Phase-In Plan. The Contractor shall complete all tasks required under the Phase-in Plan and provide the KO or designee with a detailed final report outlining all tasks accomplished five working days prior to the conclusion of the phase-in period.

1.10 SURGE, SUSTAINMENT AND DISASTER RECOVERY EFFORTS

A. The Contractor shall perform depot operations during adverse situations or disruptions of normal workload assuring the continuity of operations until the event causing the change in the normal workload operations is over. The Contractor shall continue providing the services to DDKS customers IAW DoDI 3020.37, Continuation of Essential DoD Contractor Services During Crises. Based on the magnitude and duration of the event, the impact of an emergency can range from isolated (albeit extreme) misfortune to total and absolute destruction of assets (life and property).

1.10.1 SURGE, SUSTAINMENT AND DISASTER RECOVERY EFFORTS

A. The Contractor shall maintain a surge and sustainment capability that demonstrates their ability to meet an increased or accelerated performance of the requirements in support of DoD contingencies and emergencies. This ability includes both the ability to ramp up to meet increased requirements (i.e., surge) as well as to sustain performance throughout the contingency (i.e., sustainment). The spectrum of possible contingencies ranges from major theater wars to smaller-scale military operations. The Contractor shall be expected to accommodate workload surges dictated by CENTCOM AOR operations IAW the Contractor's approved SSDRP.

1.10.2 MOBILIZATION AND DISASTER RECOVERY

A. DDKS's critical services during mobilization and disaster recovery are warehousing and distribution services. In the event of any of the following adverse situations, the KO or designee will direct the Contractor to execute the SSDRP:

1. Natural and man-made disasters

2. Adverse weather

3. Mobilization (short and long term military operations)

4. Loss of any essential operations, functions, or personnel (e.g., transactional systems, critical skills, and knowledge).

5. Heightened security requirements

1.10.3 SURGE SUSTAINMENT, AND DISASTER RECOVERY PLAN (SSDRP)

A. The Contractor shall provide a SSDRP which will be incorporated into and become part of the contract. The purpose of the SSDRP is to provide the methodology and processes for assessing the situation, determining the appropriate response, achieving recovery, and meeting performance standards when there is a disruption in normal workload. The Contractor shall describe in the SSDRP the methods and capabilities to assure continuity of operations during adverse situations or disruptions to normal workload.

B. The Contractor shall identify situations, responding, and assuring the continuity of operations during adverse situations or disruptions to normal workload. The Contractor's SSDRP shall address at a minimum the following:

1. Potential impacts caused by each type of adverse situation.
2. Primary issues.
3. Strategy for response.
4. Primary and alternate points of contact.
5. Communication and coordination with the Government.
6. Process to achieve recovery and resumption of full service.
7. Approach to recruitment and hiring of personnel (i.e., temporary labor) on short notice.
8. Assessment of the local labor market and the Contractor's ability to hire qualified personnel.
9. Process to be used to hire personnel to include timing of offers, length the offer remains open, any contingencies and start dates.
10. Critical skills and transactional systems knowledge required to maintain performance and contingency for immediate loss of skills and knowledge.
11. Development of a contingent workforce (both management and labor) that has the requisite knowledge, skills, abilities, and applicable licenses and qualifications to perform the work.

12. Strategy for maintaining a trained workforce in DSS and all other transactional data systems required for contingency operations.
13. Strategy for ensuring the contingent workforce is familiar with the Depot's workflow and scheduling.
14. Strategy for providing immediate sourcing for material handling equipment, supplies, consumables, and maintenance support.

C. The Contractor shall maintain the SSDRP and be capable of executing the SSDRP without advance notice and achieve operational status of the SSDRP within 12 hours of activiation.

D. The Contractor shall continue to update and maintain the plan on a quarterly basis after contract award and submit proposed changes to the KO or designee for review and approval.

E. The Government reserves the right to validate the Contractor's SSDRP capabilities when deemed appropriate.

1.11 PREPAREDNESS EXERCISES

A. As directed by the KO or designee, the Contractor shall participate in various preparedness exercises.

B. The KO or designee will coordinate with the Contractor to participate in the annual exercise of the Continuity of Operations Plan (COOP). The purpose and objective of the exercise is to exercise and validate the plan for various Government Systems; to exercise data integrity and application recoverability; test connectivity; discover areas of deficiency within the recovery plans and to document "lessons learned"; and to identify shortfalls and improve the procedures and recovery of documentation. The annual exercise is designed to demonstrate the level of efficiency attainable when a disaster situation warrants relocating multi-customer critical applications to the alternate processing facilities. The Contractor's participation normally entails approximately two to three (2-3) Contractor employees from each processing center to input transactions through DSS to the alternate processing facilities. The entire exercise is up to three weeks in duration, with the Contractor's participation normally lasting no more than four working days.

C. The Contractor shall participate in emergency/recall notification and personnel accountability exercises. The Contractor shall establish emergency notification/recall and personnel accountability procedures IAW DoDI 3001.02, Personnel Accountability in Conjunction with Natural or Manmade Disasters, and test those procedures twice a year when directed by the KO or designee. During the exercise, the Contractor shall determine the status and whereabouts of assigned personnel, report the status of each Contractor employee to the KO or designee within established timelines, and continue to report periodic status until further direction by the KO or designee. The Contractor shall follow their personnel accountability procedures in the event of a real emergency as directed by the KO or designee.

1.12 CONTRACT PHASE-OUT/CONTINUITY OF SERVICE PLAN

A. The services provided under this contract are vital to the Government and must be continued without interruption during a phase-in to a successor Contractor at the end of the performance periods. In addition to the requirements that may be requested pursuant to

FAR 52.237-3, Continuity of Services, the Contractor shall participate in the following phase-out requirements:

TIME FRAME PRIOR TO END OF CONTRACT	REQUIREMENT
90 calendar days	Perform all causative research actions resulting from the mission stock inventory
90 calendar days	Participate in joint inventories of GFP. The Contractor shall: 1. Replace/Repair Government Furnished Equipment (GFE) identified during the joint inventory as damaged 2. Update locations in the DPAS 3. Prepare DD Form 1311s for equipment to be turned-in 4. Transport equipment to DRMO as directed by the KO or designee
60 calendar days	Facilitate the transfer of residual materials to the Government
60 calendar days	Review and provide status of work-in-process and ensure backlog does not exceed agreed upon carryover
45 calendar days	Provide necessary information regarding personnel training and certifications
30 calendar days	Provide status of Material Handling Equipment (MHE)/Mechanized Material Handling Systems (MMHS) maintenance actions and information updated in Equipment Management and Control System (EMACs)

B. The Contractor shall participate in a phase-out/phase-in period in order to allow for a smooth and orderly transfer of responsibility for warehousing and distribution operations to a successor Contractor. The Contractor shall submit a Contract Phase-out Plan with their proposal that sets forth actions, plans, procedures and timelines necessary to ensure a smooth and orderly phase-out/phase-in. The KO or designee will request the Contractor to update this plan within 10 working days after notification of contract termination. In this plan the Contractor shall address responsibilities for continuity of service and tasks related to the closure of the contract. (See Section L, Volume II, Technical Proposal, Section 2, Management Capability, sub-paragraph 3, Plans). The plan shall identify how the Contractor shall utilize its best efforts and cooperation to include, but not necessarily limited to the following:

1. Coordinate with the incoming Contractor on personnel related actions including, but not limited to:

   (a) Providing workforce with availability to attend interviews during normal hours of operation

(b) Providing necessary information regarding personnel training, and proving workforce with availability to attend training during normal hours of operation.

2. Government Furnished Property Inventory:
   (a) Cooperate in the preparation of the pre-proposal site visit by staging GFE in a limited number of areas for inspection by offerors.
   (b) Prepare for joint GFP inventory by:
      - Ensuring DPAS is up-to-date
      - Ensuring disposal records are up-to-date
   (c) Participate in joint inventory of GFP
   (d) Resolve discrepancies
      - Identify disposition of missing equipment
      - Replace/repair equipment damaged due to negligence
   (e) Being accountable for all equipment identified on the hand receipt, this includes turning equipment back in, identifying equipment that was disposed (including paperwork), ensuring all maintenance on equipment is up-to-date
3. Mission stock inventory:
   (a) Maintain inventory APLs throughout phase-in to new service provider
   (b) Participate in joint mission stock inventories
   (c) Perform all causative research actions resulting from mission stock inventory
4. Work in Progress (WIP)
   (a) Reducing any backlog of work that would cause a burden on the incoming service provider (should not exceed an agreed upon amount for carryover)
   (b) Work out a phase-out/phase-in plan with incoming service provider for transfer of responsibility/work for final day of phase-in
5. Reporting Requirements
   (a) Contractor shall submit weekly status reports detailing the status of transition phase-out tasks that are on-going.

SECTION C-2 DEFINITIONS AND ACRONYMS

2.1 GENERAL DEFINITIONS

The following list provides definitions for terms found throughout this document or commonly used in the distribution process:

Acceptable Performance Level (APL): The minimum performance of each requirement before the Government considers performance unsatisfactory.

Accession Number: A number assigned to each deficiency report exhibit.

Ad Hoc:

1. For Inventory Adjustment: A term used to denote flagged discrepancies on a NIIN and/or location in DSS requiring inventory or inspection action.

2. For Transportation: A term used to denote such process changes as inquiries and discrepancies to a specific document number, TCN, Carton Control Number, or Pick Control Number. Transportation's definition of Ad Hoc also includes moving freight from one outload area to another as well as from one door location to another.

Cannibalize: To remove serviceable parts from equipment or other machinery for use in the repair of other equipment.

Commercial and Government Entity (CAGE) Code: A five-position alphanumeric code that is assigned to: (1) Government Agencies who manufacture, control the design of, or control the development of government specifications or standards; (2) Manufacturers; (3) Vendors; and (4) Government specifications/standards themselves when no single government source can be identified.

Commingled Material: Location for a single NSN and CC containing assets belonging to two or more owners/IMs. For non-shelf-life material, commingled material also describes a location where a single NSN has two or more dates of manufacture. HAZMAT is considered commingled when items with different MSDS numbers are stored in the same hazardous storage area.

Condition Codes (CC):

1. Federal CC: A two-digit code (consisting of an alpha Supply CC in the first digit and a numeric or alpha Disposal CC in the second digit) that most accurately describes the material's physical condition. It constitutes the Federal CC for reutilization program screening and review purposes.

2. Supply CC: Used to classify material in terms of readiness for issue and use or to identify action underway to change the status of material. These codes are assigned by the Military Services/Defense Agencies.

3. Disposal CC: Assigned by DRMO based upon inspection of material at the time of receipt.

Containers (Type):

1. Exterior Container: A container, bundle, or assembly that is sufficient by reason of material, design, and construction to protect unit packs and intermediate containers and their contents during storage. It can be a unit pack or a container with a combination of unit packs or intermediate containers. An exterior container may or may not be used as a shipping container.

2. Interior Container: A container that is inside another container. It may be a unit pack or an intermediate container that is placed inside an exterior container or shipping container.

3. Intermediate Container: A wrap, box, or bundle containing two or more unit packs of identical items.

4. Shipping Container: A container which meets carrier regulations and is of sufficient strength, by reason of material, design, and construction, to be shipped safely without further packing (e.g., wooden boxes or crates, fiber and metal drums and corrugated and solid fiberboard boxes).

5. Unit Pack: The first tie, wrap, or container applied to a single item, or a quantity thereof, or to a group of items of a single stock number, preserved or unpreserved, which constitutes a complete or identifiable package.

Contracting Officer (KO): The person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings.

Contracting Officer's Representative (COR): An individual designated and authorized in writing by the KO to perform specific technical or administrative functions.

Controlled Inventory Items: Items that require identification, accountability, security, segregation, or special handling to ensure their safety or integrity. DLA policy requires all controlled items be completely inventoried annually.

Customer Returns: Items being returned/turned in for credit from customers. There are two classifications of customer returns:

1. Serviceable Customer Returns: Material that is in ready to issue condition. Typically serviceable customer returns are received in proper packaging.

2. Unserviceable Customer Returns: Material that is not in a ready to issue condition. Typically, unserviceable customer returns are consolidated and received in non-standard containers with inadequate packaging.

Demilitarization (DEMIL) Code: A single alphabetic code assigned by the IM identifying the degree of DEMIL necessary to accomplish final disposition of the item.

Demurrage: A charge that may be charged to shippers accruing from the time the container is discharged from the vessel. Charges for demurrage are in addition to all other transportation charges and typically are associated with rail and water port operations.

Department of Defense Activity Address Code (DoDAAC): A distinct six-position alphanumeric code assigned to identify specific units, activities, or organizations as found in the DoDAAD.

Department of Defense Activity Address Directory (DoDAAD): A publication that lists all DoD activities and their DoDAACs.

Designee: The individual(s) designated and authorized in writing by the KO to perform specific technical or administrative functions.

Detention: A charge against a consignor or consignee for holding carrier equipment beyond the allowable free time for loading and unloading, for forwarding directions, or for any other purpose authorized and documented by the consignor or consignee.

Discrepancy: Any variation of goods received from data shown on the covering shipping documents (e.g., requisition document, invoice/shipping document, authorized procurement delivery document or vendor's packing list, or other authorized shipping document). Supply discrepancies encompass variations in condition or quantity, incorrect and misdirected material, receipt of cancelled requirements, improper or inadequate technical data or supply documentation, and any unsatisfactory condition due to improper packaging, which causes the material to be vulnerable to loss, delay or damage or which imposes unnecessary expense to the U.S. Government. Transportation discrepancies are any variation in quantity or condition of material received from that shown in the piece count by type of pack on the bill of lading or governing transportation document and other deficiencies in transportation when discrepant material is not involved (e.g., improper or inadequate carrier handling).

The different types of discrepancy reports are as follows:

1. Type 3, Transportation Discrepancy Report (TDR) (SF 361): Prepared by the Depot for any damage/loss suspected to have been caused by the shipping Carrier. A SF 361 (Type 3 Discrepancy) also applies to material that is properly addressed but incorrectly shipped to the wrong activity while under U.S. government-controlled transportation IAW DoD 4500.9-R, Defense Transportation Regulation (DTR), Part II, Cargo Movement.

2. Type 5, Storage Quality Control Report (DD Form 1225): Prepared by the Depot for COSIS actions that takes more than one hour per NSN per location, all special inspections, all packaging incident to shipment and all work related to DROs.

3. Type 7, Depot Delivery to Customer (SF 364): Prepared by the customer and submitted to the Depot for any type of discrepancy. A Type 7 Discrepancy is also known as a Customer Complaint or ISDR.

4. Type 8, Depot Customer (Field) Return (SF 364): Prepared by the Depot for each item returned to the Depot by a customer found to have a supply discrepancy.

5. Type 9, Depot Contract Receipt (SF 364): Prepared by the Depot for any variation in quantity or condition of NP material received from that shown on the covering authorized shipping documents (e.g., DD Form 250) or purchase order, including but not limited to incorrect and misdirected material, receipt of canceled requirements, improper/inadequate technical or supply documentation, non-conformance or other discrepancies that are not the result of a transportation error or product quality deficiency.

Disposal Release Order (DRO): An issue request directing shipment of material to DRMO.

Diversion Fee: Fees incurred when diverting a truck from the address on the GBL or CBL to another destination.

Dunnage: Loose packing material protecting an item from damage during shipment.

Electrostatic Discharge Sensitive (ESDS) Bag (E-Bag): A non-conductive plastic bag that is intended for protection and handling of special material where conductive properties, contamination, and/or waterproofing characteristics are of paramount importance.

Equipment Job Order Number (EJON): Unique code assigned to equipment in the EMACS that facilitates the management of data relating to the maintenance, utilization, and cost of operating government equipment.

Extended Weight: The unit of issue weight multiplied by the transaction quantity.

Fast-Pack: A family of short life, multi-application LLRCs fabricated from weather resistant corrugated fiberboard and die-cut low-density polyurethane foam cushioning material.

Hard-to-Handle: Lines of material by weight bands that are received or issued and are considered more difficult to process. These items may weigh up to five tons and be up to 38 feet long and up to eight feet wide and may be in a serviceable or unserviceable condition. Hard to handle items are not usually palletized (e.g., steel, wire, cable, rope, tires, lumber, anchors, wings, etc.) requiring a larger than standard forklift, a crane, or similar specialized equipment to be moved into and out of location. These items can require specialized/isolated packaging and shipping requirements and can require physical handling (cutting, tying, banding, etc.). Location tables in DSS-MIS will identify hard-to-handle material. Examples include, but are not limited to trailer mounted power equipment, special purpose trailers, aircraft parts and sub-assemblies, engines, test stands, etc.

Hazardous Substance: Any substance designated under the Clean Water Act and the CERCLA as posing a threat to waterways and the environment when released (see 40 CFR , Protection of Environment, Volume I, Chapter I, Environmental Protection Agency, Part 302.4, Designation of Hazardous Substances).

Hazardous Waste (HW): An item that is regulated under RCRA or by state regulation as HW. HW is regulated by 40 CFR, Parts 260-265. From a practical standpoint, if an EPA or state HW code can be assigned, the item is HW.

Information Technology (IT) Eligibility Categories:

1. Level I: Those positions in which the incumbent is responsible for planning, directing, and implementing a security program; and directing, planning, and designing a computer system including hardware and software. The incumbent is also able to access a system during the operation or maintenance in such a manner that the system would be gravely damaged or the incumbent would realize significant personal gain.

2. Level II: Those positions in which the incumbent is responsible for directing, planning, designing, operating, or maintaining a computer system and whose work is technically reviewed by a higher authority of the IT I category to ensure integrity of the system.

3. Level III: All other positions involved in computer activities not covered in IT I and IT II.

Intra-Depot Support: The work done in support of the specific Distribution Depot.

Inter-Depot Support: The work done in support of other DLA Distribution Depots.

Inventory Control Point (ICP): The organizational unit or activity within the DoD supply system that is assigned the primary responsibility for the material management of a group of items either for a particular Service or for the DoD as a whole. Material inventory management includes cataloging direction, requirements computation, procurement direction, distribution management, disposal direction, and, generally, rebuild direction.

Issue Priority Designator: A two digit numeric code (01-15) that identifies the relative priority of the competing requisitions and is used by the material management systems to allocate available stocks among competing requisitions. The Issue Priority Designator is based on the combination of the Force Activity Designator assigned to the requisitioning activity and the Urgency of Need Designator. The criteria for determining applicable Issue Priority Designators are in DoD 4000.25-1-M, MILSTRIP.

Item Historical Data: Those records that record the time since the item was new and the time since the item was overhauled, hours on the part, etc.

Item Manager (IM): An individual located at an owner/IM/DSC who is responsible for managing a wide variety of commodity items in support of the military services, federal and civilian agencies, and friendly foreign governments.

Line: A separate item of supply on a transaction document. Each item of supply is identified by a different NSN or the same NSN with a different CC. Each line may consist of one or more pieces.

Long Life Reusable Containers (LLRC): A shipping container that can be used repeatedly and whose service life can be expected to equal the service life of the item it is designed to protect. These containers may be refurbished by appropriate maintenance practices to their original condition and subsequently reused (100 trips minimum).

Maintenance Returns: Items returned from maintenance repair shops. Items can be either bare or have only protective wrap. This material can be any characteristic or type of any combination of characteristic/type. Examples include, but are not limited to, Medium-Radioactive, Bin/ESDS/Pilferable, and Heavy/Hazardous.

Manual Allocation: A term used in both inventory and MRO processing. In the inventory process, it is a re-allocation of a MRO that has been researched due to a potential denial. In DSS, when a MRO has been flagged for manual allocation, the operator manually selects a location in lieu of the system selecting the location.

Material Management Aggregation Code (MMAC): A unique two-position alpha code used in conjunction with/at the end of the NSN (rp 21-22 of DLSS transactions), to identify specific items (NSNs) to be managed by a specific manager. Separate MMACs apply to systems, programs, aggregations, selected federal stock classifications, and technology groups. This is an Air Force-unique data element, meaningful to the Air Force only. Non-Air Force components perpetuate without action.

Material Receipt Acknowledgment: A computer-processed transaction used to advise that material has been received and posted and/or to indicate that a discrepancy affects the receipt posting/acknowledgment process.

Material Release Order (MRO): A MILSTRIP transaction initiated by a customer or an owner/IM that directs a distribution activity to release and ship material.

Material Release Order (MRO) Processing Time: Measurement of the number of calendar days from the time the Depot receives the MRO to the time Transportation actually ships the material.

Minimal Military Packing: When anticipated logistics paths indicate that items requiring military preservation will not be exposed to shipping environments more severe than those normally encountered in the commercial distribution system, military packing requirements need not be implemented. Acceptable minimal packing requirements for shipments of this nature are listed in MIL-STD 2073-1, Standard Practice for Military Packaging, Table J.IXa, Minimal Packing Requirement Codes.

Mission Stock: All material in storage under the physical custody of DDC Depots for issue to DoD Customers.

Mobilization: The preparation for war or other emergencies through assembling and organizing natural resources, and the process by which the Armed Forces, or part of them, are brought to a state of readiness for war or other national emergencies. This includes activating all or part of the Reserve components as well as assembling and organizing personnel, supplies, and material.

Mode of Shipment Code: A one-character alphanumeric code indicating a particular form of carriage.

Multi-Pack: Any exterior container that contains multiple NSNs that requires each separate NSN to be broken down to its own identity.

National Item Identification Number (NIIN): The NIIN consists of the NCB Code and a seven digit non-significant number assigned by each NCB. The same seven-digit number may be assigned by more than one country; however, the NCB Code makes each NIIN unique.

National Stock Number (NSN): The 13-digit stock number consisting of the four-digit Federal Supply Classification code and the nine-digit NIIN. The NIIN consists of a two-digit NCB number designating the central cataloging office (whether NATO or other friendly country) that assigned the number and a seven-digit (xxx-xxxx) non-significant number. The number shall be arranged as follows: 9999-00-999-9999.

New Procurement (NP): New material received at the Depot from a vendor or contractor for processing, storage, and issue to customers.

Nomenclature: A noun and any modifying adjectives required to describe and identify an item of supply.

Off-Base Transshipment: Non-accountable material delivered to the Depot for transportation and delivery to an off-base location.

Operational Status: Ability to receive material, stow material, and issue material within the timelines established in the APLs.

Out-of-Cycle: Line items issued outside normal DSS processing.

Oxygen Cleaned: A procedure used to ensure freedom from combustible oils, greases or other matter that would provide a source of ignition in service with oxygen or other fluids that critically support ignition. The product is then bagged in a new plastic bag and sealed. The bag should be identified with a label, identifying it as oxygen cleaned.

Packaging: The processes and procedures used to protect material from deterioration, damage, or both. The processes and procedures include preservation, packaging, marking, and unitization. The terms “packaging” and “packaged” and the phrase “the Contractor shall package” are interchangeable.

1. Preservation: The application of protective measures, including cleaning, drying, preservative materials, barrier materials, cushioning, and containers, when necessary.

2. Packing: The assembly of items into unit packs or exterior containers, with the necessary blocking, bracing, cushioning, weatherproofing, reinforcement, and marking.

3. Marking: Application of numbers, letters, labels, tags, symbols, or colors, for handling or identification during shipment and storage.

4. Unitization: Assembly of containers comprised of one or more line items of supply into a single load so that the load can be handled as a unit through the distribution system. Any combination of unit, intermediate or exterior packs of one or more line items of supply assembled into a single load in such a manner that the load can be handled as a unit through the distribution system. Unitization (unitized loads-unit loads) encompasses consolidation in a container, placement on a pallet or load base, or securely binding together.

Product Quality Deficiency: A defect or nonconforming condition detected on new or newly reworked government-owned products, premature equipment failures, and products in use that

do not fulfill their expected purpose, operation or service due to deficiencies in design, specification, material, manufacturing, and workmanship (see DLAR 4155.24, Product Quality Deficiency Report Program).

Product Quality Deficiency Report (PQDR): An order issued by an owner/IM that directs a storage site to hold material for issue pending resolution of a discrepancy.

Quality Assurance: The functions and associated actions performed by the Government to ensure that contract requirements are performed and that an appropriate level of Contractor quality control activities are in place and operational.

Quality Control: Those internal management functions that include, but are not limited to, training, documented procedures, inspections, and tests (taken at the point of performance) necessary to ensure that Contractor products and services conform to contract requirements, specifications, and APLs.

Quality Deficiency: A defective or nonconforming condition, which limits or prohibits the product from compliance, type of material used, manufacturing techniques or overall level of workmanship.

Quick-Flight: A requisition from an on-base organization in support of grounded aircraft requiring expedited delivery.

Recapitalization: The maintenance and systemic upgrade of currently fielded systems to a like new condition.

Receipt Control Number (RCN): An alphanumeric control number established at the time of conveyance arrival, consisting of the Julian date, the hour, the type of conveyance and the number of the type of conveyance.

Receipt Processing Time: Measurement of the number of days between Depot receipt of material (tailgate date) and material stowage.

Redistribution Order (RDO): An issue request to direct material from one government storage activity to another that may or may not be a government activity.

Report of Shipment (REPSHIP): A notice of shipment that is forwarded to the consignee 24 hours prior to the arrival of a classified shipment.

Required Delivery Date (RDD): A three-position alpha/numerical code that indicates the date that the customer requires the material. An RDD field may indicate expedited handling or may be left blank.

Responsible Officer: An individual appointed by proper authority to exercise custody, care, and safe keeping over property entrusted to his/her possession or under his/her supervision. For accountable property, this would be the next level in the chain of command from the hand receipt custodian. The Responsible Officer participates in investigations for loss, damage, or destruction of government property.

Retail: Material received at the Depot that has been purchased to support local customers.

Reusable Container: A shipping and storage container that can be repaired refitted, or both, to prolong its life or to adapt it for shipment of items other than that for which it was originally intended.

Rewarehousing: The movement of material from one location to another within the Depot, replenishment of bin locations, and/or consolidation of locations incident to the stow process.

Space Utilization: Measurement that indicates the total amount of usable storage space being used compared to the total gross cubic footage space available in DLA warehouses/storage facilities and open storage areas for all Depots.

Special Material Identification Code: A two-position (alpha/numeric) code that supplements the NSN for the purpose of providing visibility for technical integrity and ready identification of designated items.

Special Project Code: Used for the purpose of identifying requisitions and related documentation as to special programs, exercises, projects, operations, or other purposes.

Special Request: An issue for manual input coordinated from an owner/IM for immediate release to a customer or for delivery. These include:

1. Transactions processed when system not operational –post-post-Authorized for and limited to emergency requirements for IPDs 01-05 when the computer is not operational, entry required immediately upon system restoration.

2. Transactions processed outside of normal mission requirements, (i.e., SMOK Screen)

3. Transaction where the customer walks into Depot operations or when the Depot receives a written supply directive requesting expedited services that exceed normal mission processing APLs

4. PQDR exhibits

5. Random lengths of material

6. Specific assets in batches including “X” condition assets

7. Emergency requirements for IPDs 01-05 when the total asset record shows a zero balance available in the warehouse

Standard Delivery Date: The maximum ending calendar date by which normal processing and shipping in the logistics system will permit receipt and recording of the material by the consignee. A pre-determined date used to reflect availability of a requisitioned item. Lack of availability by the Standard Delivery Date causes an advice code in DSS to re-requisition the item.

Super Material Release Order (MRO): A MILSTRIP transaction initiated manually and entered into DSS to release and ship material.

Surge: The expansion of logistical support services to meet contingencies short of a declared national emergency utilizing existing facilities and equipment. Only existing peacetime program priorities will be available to obtain materials, components, and other industrial resources necessary to support accelerated program requirements; however, increased emphasis may be placed on use of these existing authorities and priorities.

Suspended Assets: Assets that have been placed in a suspended CC status by owners/IMs, local customers, or the Contractor.

Transportation Control Number (TCN): The TCN is a unique 17-character D/E assigned to control and manage every shipment unit throughout the transportation pipeline. For shipments other than military containers moved via ocean commercial/Government-Owned/Leased Shipping Container (SEAVAN) and personal property, the TCN is comprised of the following 14-position MILSTRIP order number: the alphabetic document suffix (or X if the owner/IM released all assets from one site); the alphabetic Depot partial suffix (or X if the Depot did not partial the shipment); and the alphabetic port or CCP split code (or X if there is no transshipment activity).

Transportation Discrepancy Report (TDR): A report that provides details of any discrepancies found during off-load and tally of a carrier's load.

Transshipment: The act of processing material received at the Depot for delivery to a final destination that is not receipted into the DSS accountable property record. This also includes use of the transshipment process in DSS, DD 1149s (e.g., misdirected freight, engines, AA&E).

Triple-Wall (Tri-wall): A fiberboard container consisting of three rows of corrugations that may contain one NSN or multiple NSNs.

Unit of Issue: The unit of issue is a two letter designation that indicates the count or measurement (e.g., EA – each; DR – drum; BT – bottle; FT – feet) and is a standard or basic quantity that is expressed as a unit and indicated in a requisition, contract, or order as the minimum quantity issued (e.g., bottle, can, dozen, each, foot, gallon, gross, pair, pound, yard, etc.). This could include measuring and/or cutting material that is stored in other than unit of issue configurations (e.g., cable stored on reels of 150 feet, - unit of issue – foot (ft.))

Unitization: Assembly of packs of one or more line items of supply into a single load so that the load can be handled as a unit through the distribution system. Unitization, unitized loads or unit loads encompass consolidation in a container, placement on a pallet or load base, or securely binding together.

Walk-thru: A type transaction where the customer walks into Depot operations or when the Depot receives a written supply directive requesting expedited services that exceed normal mission processing APLs.

Warehouse Denial: A transaction where an accountable record indicates material is on-hand but stock is not available for issue (i.e., has been exhausted, is in a condition other than recorded, lacks the required shelf-life, is not available in type pack specified, or is found to be misidentified).

Warehouse Fill Rate (WFR): The percentage of warehouse denials to MROs. This percentage is calculated by dividing the number of total and partial quantity warehouse denials

(Management Codes 1 through 5) by the total number of MROs shipped plus total quantity of warehouse denials times 100, then subtract from 100 percent.
WFR = 100% - {[total number of complete and partial denials (Management Codes 1-5)] / [(total number of MROs + total quantity of warehouse denials) X 100]}

Weight Banding: Banding is based on the extended weight of the line or the total weight corresponding to a unit of pack. The bands are as follows:

1. Weight Band 1 = 0 - ≤40 lbs.
2. Weight Band 2 = >40 - ≤150 lbs.
3. Weight Band 3 = >150 - ≤2000 lbs.
4. Weight Band 4 = >2000 lbs.

Wood Packaging Material (WPM): Non-coniferous (Hardwood) and Coniferous (Softwood) packaging material used in support, protecting, or carrying a commodity Includes dunnage). Examples of WPM include but are not limited to pallets, skids, pallet collars, containers, crates, boxes, cases, bins, reels, drums, load boards, and dunnage. Wood packaging made of exempt materials but combined with solid wood components must still be treated and marked. It does not include process wood materials and manufactured wood products. WPM was previously known as Non-Manufactured Wood Packaging or Solid Wood Packaging Material.

2.1.1 CHARACTERISTICS OF MATERIAL PROCESSED

Electrostatic Discharge Sensitive (ESDS) Material: Items that are sensitive to damage by electrostatic discharge and identified during the receipt process by either an ESDS label/bag, visual examination of the components (e.g., exposed circuitry) or item data in DSS/FLIS. It is critical that ESDS items be protected against ESDS damage that can render the item inoperable. All CCs, except H, shall be afforded the same level of protection.

Frustrated Material: Material received or found at a depot that requires research to identify the material, obtain correct documentation, shipping information, or accountability.

Hazardous Material (HAZMAT): 49 CFR, Transportation, identifies HAZMAT as a substance or material that the Secretary of Transportation has determined to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce. This is expanded to include items of supply (substances or material) that, because of its quantity, concentration, physical, chemical, or infectious characteristics, may either cause or significantly contribute to serious, irreversible, incapacitating illness, or an increase in mortality. HAZMAT may also pose an environmental threat when improperly treated, stored, transported, disposed of, or otherwise managed.

Magnetic Material: Any package that has a magnetic field of more than 0.00525 gauss, measured at 4.5 m (15 feet) from any surface of the package IAW 49 CFR, Part 173.21, paragraph d. This type of material requires a special label (SF 422) to identify it as magnetic.

Maintenance Return(s): Material received at the Depot from the maintenance organization. This material shall be input into the DSS system using the Maintenance Turn-in RIDR screen.

Misdirected Material: Material received that should have been routed through other sources or directly to its final destination.

Misidentified Material: A discrepancy where the NSN of material does not match the NSN on the container and/or DD Form 1348.

New Procurement: Material received at the Distribution Depot from a vendor or contractor for assignment, storage, and/or issue to customers.

Non-Accountable Material: Material that is processed at the Depot and is not entered into the DSS accountable property records. The material can vary in size from small to very large and consist of any commodity to include hazardous, radioactive, or pilferable/sensitive material.

Pilferable Items: Material that is identified as valuable, easily converted to personal use, or attractive. Pilferable item codes are as follows:

CIIC	Description
J	Pilferage (NOTE: Pilferage controls may be designated by the coding activity to items coded U (Unclassified) by recording the item to J
L	Aircraft engine equipment and parts
M	Hand tools and shop equipment
N	Firearms
P	Ammunition and Explosives
V	Individual clothing and equipment (e.g., flight gear, flags, furs, etc.
W	Office Equipment
X	Photographic equipment and supplies
Y	Communication/Electronic equipment and parts
Z	Vehicular equipment and parts

Sensitive Items: Material that requires a high degree of protection and control due to statutory requirements or regulations such as narcotics and drug abuse items; precious metals; items of high value, highly technical (i.e., night vision goggles), or items that are of a hazardous nature; and small arms and ammunition. DLA policy, as executed by DSS, requires 100% annual inventory of sensitive items.

Shelf-Life Items: An item of supply possessing deteriorative or unstable characteristics to the degree that a storage time period must be assigned to ensure that it will perform satisfactorily in service. Examples of shelf-life items received are chemicals, batteries, packaged petroleum, parachutes, personal safety items, o-rings, etc.

Wholesale Non-Procurement: Material received at the Depot from any activity, government or non-government. These assets shall be input to the DSS system using the Wholesale Non-Procurement RIDR screen.

Wholesale Procurement: Manufacturer packed material received at the Depot from a vendor or contractor for assignment, storage, or issue to customers. These items will be input to the DSS system using the Wholesale Procurement RIDR screen.

2.1.2 MODES OF SHIPMENT

Air Freight Shipments: Documents completed with a mode of Q are Air Freight shipments. Air Freight provides transportation and logistics services and offers global coverage 24 hours a day, 7 days a week, for Air Freight shipments in excess of 150 pounds.

DoD Blanket Purchase Agreement (DoD BPA)/Worldwide Express (WWX) Shipments: (See Trans Pol on WWH) Documents completed with a mode of J are either for the DoD BPA for express small package air, including Alaska, Hawaii, and Puerto Rico or for the WWX OCONUS shipments. Through the use of DoD BPA/WWX, the transportation network provides rapid, reliable, time-definite delivery of documents, packages and freight shipments worldwide. Material shipped by DoD BPA/WWX includes shipments of 150 pounds and less. Carriers are under contract with the DoD through SDDC tenders.

DriveAway and TruckAway Service: Documents completed with a mode of D are DriveAway and TruckAway freight shipments. DriveAway and TruckAway service involves movement of a vehicle under its own power by a driver of an authorized motor carrier. The method also includes the movement of one or more vehicles, including other than self-propelled vehicles, when towed or mounted (either full or saddle) upon a vehicle.

Less Than Truckload (LTL) Shipments: Documents completed with a mode of B are LTL shipments. The quantity/weight of cargo for LTL shipments is less than that required for the application of a TL rate.

Surface Small Package (SSP): Documents completed with a mode of 5 are SSP shipments. The SSP contract is used for material shipped by commercial carriers utilizing ground service for shipments 150 pounds and less.

Surface Parcel Post Shipments: Documents completed with a mode of 6, 7, or G are Surface Parcel Post shipments. Surface Parcel Post shipments are those where the material is shipped by way of the USPS utilizing ground service transportation. Surface Parcel Post shipments are available for shipments of 70 pounds or less.

Truckload (TL) Shipments: Documents completed with a mode A are TL shipments. A motor vehicle loaded to its carrying capacity is considered a TL. Normally, a certain quantity/ weight of cargo is required for the application of a TL rate. The decision to use TL mode should be based on timeframes and economics.

2.1.3 PHYSICAL INVENTORY

Adjustments, Physical Inventory: The accounting transaction, which corrects a book balance to agree with the quantity of the item in storage. Such adjustments may result from 1) physical inventory, 2) a potential discrepancy revealed by a material release denial or location survey/reconciliation, and 3) erroneous capitalization/decapitalization actions. Excluded are

adjustment transactions caused by 1) re-identification of stock, 2) type of pack changes, 3) standard price changes, 4) catalog data changes, 5) supply condition and purpose code changes, and 6) condemnation of material resulting from rebuild and surveillance programs. Adjustment transactions directly attributed to computer malfunctions, program errors, and correction of computer system time lags will not be categorized as adjustments due to physical inventory. All such adjustment transactions identified during research will be assigned the appropriate error classification code, and supply system managers will monitor the rate of occurrence.

Book-to-Book: Daily and monthly comparisons of DSS locator and accountable balances, which result in automatic adjustment of the owner's/IM's balance to match the Depot balance. Comparisons generate mismatches, which require research.

Consolidated Adjustment Voucher (CAV): A summary-level voucher created at the end of every month for adjustments occurring during the month that did not meet the criteria for mandatory causative research and were not selected/included as part of the original sample.

Count Variance: The difference between the quantity on the accountable balance record and the physical count.

Inventory Accuracy Rate: The rate/percentage of accurate owner/IM balance records, which match the physical assets in storage in regard to item quantity and CC. A random statistical sample inventory is conducted to measure overall and segments of the population. The sample selection and results use hierarchical stratification techniques and item characteristics.

Inventory, Scheduled: A physical inventory which is to be conducted on a group of items within a specified period of time according to an established plan. There are two types of scheduled inventories: complete and sample.

Inventory, Complete: An inventory of all conditions of all stock numbers within specified categories.

Inventory, Sample: A sample of items selected from an inventory lot in such a manner that each item in the lot has an equal opportunity of being included in the sample.

Inventory, Special: A physical inventory of a specific item as a result of a special requirement generated by the location audit program, pre-procurement, or any other reason deemed appropriate by the owner/IM, KO or designee, or the storage activity.

Inventory, Unscheduled: A physical inventory, which is to be conducted on a specific item as a result of an unscheduled inventory requirement such as an owner/IM or locally initiated request, material release denial, location survey or location reconciliation request, etc. There are two types of unscheduled inventories: special and spot.

Inventory, Special: A physical inventory of a specific item(s) as a result of a special requirement generated by the location audit program, pre-procurement, or any other reason deemed appropriate by the owner/IM, APO or the APO designated representative, or the storage activity.

Inventory, Spot: A physical inventory required to be accomplished as a result of a total or partial material denial.

Item Data Maintenance: DSS generates an Item Data Change Notice used to identify an update to the Item Data Record. This change may include the physical update of material identification and unit of issue at the bin face.

Location Accuracy Rate: The percentage of accurate locator records to location surveys. The percentage is calculated by dividing the total number of location surveys accomplished minus the number of location survey errors (no stock and adds) and then dividing by the total number of location surveys accomplished times 100.

Location Audit Program: The location audit program consists of actions required to assure compatibility between the assets in storage and the locator records and between the locator records and the accountable records. Location audit programs may include quantity. This program is accomplished in two phases:

Location Reconciliation: A match between valid storage activity records and the accountable records in order to identify and correct situations where items are in physical storage but not on record, on record but not in storage, or where common elements of data (may include quantity) do not match. Research of mismatches, including special inventories, when required, results in corrective action.

Location Survey: A physical verification, other than actual count, between actual assets and recorded location data to ensure that all assets are properly recorded as to location, NSN, CC, unit of issue and shelf-life.

Major Inventory Variance: The total dollar value of the item overage or shortage for the stock number exceeds $5,000 or a variance of any value for controlled items.

Physical Inventory Cutoff Date (PICD): A date established for striking the accountable record balance. This date serves as the reference point for considering the relationship between pre-inventory/post-inventory transactions and the physical count quantity to determine if the count is in agreement with the inventory record balance.

Post-Inventory Transaction: Any transaction, causing an increase or decrease to the accountable stock record balance, dated after the established PICD.

Pre-Inventory Planning: Pre-inventory planning is conducted prior to the PICD to reduce the potential for inventory inaccuracies through:
Actions to ensure location integrity by resolving such situations as loose material; questionable identity of material in location; and multiple conditions, shelf-life (including date of pack/date of expiration), and/or material lots stored in a single location.
Document clean up to ensure to the extent possible that adjustments and transaction reversals are posted to the record, in process receipts are stored in location, and related transactions are transmitted to the owner/IM prior to the established PICD.

Reconciliation, Physical Inventory: To obtain agreement between the physical count and record balance by attempting to account for all transactions representing infloat documents.

Research, Physical Inventory: An investigation of potential or actual discrepancies between physical count and recorded balances. The purpose of research is to determine the correct balance and determine the cause of discrepancies. There are three types of research:

Causative Research: An investigation of discrepancies (i.e., gains and losses) consisting of (as a minimum) a complete review of all transactions to include supporting documentation, catalog change actions, shipment discrepancies, and not posted or rejected documentation occurring since the last completed inventory. The purpose of causative research is to identify, analyze, and evaluate the cause of inventory discrepancies with the aim of eliminating repetitive errors. Causative research ends when the cause of the discrepancy has been discovered or when, after review of the transactions, no conclusive findings are possible.

Postcount Validation: A comparison of physical count with recorded balances or another count, with consideration of transactions that have occurred recently. The purpose of postcount validation is to determine the validity of the count. Postcount validation research ends when the accuracy of the count has been verified or when any necessary recounts have been taken.

Pre-adjustment Research: A review of potential discrepancies, which involves the consideration of recent transactions, and verification of catalog data. The purpose of pre-adjustment research is to determine the correct balance. Pre-adjustment research ends when the balance has been verified or the adjustment quantity determined.

Sample Inventory Accuracy: The accuracy of inventory records based on a random sample. This is computed as a weighted rate based on individual category population.

2.2 ACRONYMS AND ABBREVIATIONS

Acronyms and abbreviations as used throughout this contract are listed for information and reference:

Acronym/ Abbreviation	Clear Text
AA&E	Arms, Ammunition, and Explosives
ACA	Airlift Clearance Authority
ADRS	Automated Discrepancy Reporting System
AEDA	Ammunitions, Explosives and Dangerous Articles
AF	Air Force
AFCEA	Armed Force Communications & Electronics Association
AFTRP	Air Freight Traffic Rules Publication
AHWC	Activity Hazardous Waste Coordinator
AIS	Automated Information Systems

Acronym/ Abbreviation	Clear Text
ALARA	As Low As Reasonably Achievable
ALSC	American Lumber Standards Committee
AMS	Automated Manifest System
AMTS	Automated Material Tracking System
ANORS	Anticipated Not Operational Requisition Supply
AOG	Aircraft on Ground
AOR	Area of Responsibility
APL	Acceptable Performance Level
APOE	Aerial Port of Embarkation
APP	Affirmative Procurement Program
ARCENT	Army Central Command
aRFID	active Radio Frequency Identification
ASTM	American Society for Testing and Materials
ATCMD	Advance Transportation Control and Movement Documents
AWC	Automated Work Counts
BPA	Blanket Purchase Agreement
BSM	Business Systems Modernization
CA	Computer Associate
CAC	Common Access Card
CAGE	Commercial and Government Entity
CAV	Consolidated Adjustment Voucher
CBL	Commercial Bill of Lading
CC	Condition Code
CCC	Command Control Center
CCI	Controlled Cryptographic Items

Acronym/ Abbreviation	Clear Text
CCP	Consolidation and Containerization Point
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CGA	Continuing Government Activity
CI	Counterintelligence
CIC	Customer Interaction Center
CICS	Customer Information Control System
CID	Criminal Investigation Division
CIIC	Controlled Inventory Item Code
CIR	Contractor Investigative Request
CLIN	Contract Line Item Number
CNG	Compressed Natural Gas
COB	Close of Business (Day)
CONUS	Continental United States
COOP	Continuity of Operations Plan
COR	Contracting Officer's Representative
COSIS	Care of Supplies in Storage
COTS	Commercial Off-the-Shelf
CPU	Central Processing Unit
CRII	Customer Returns Improvement Initiative
CSG	Commercial Service Guide
CSI	Critical Safety Item
CSS	Constant Surveillance Service
CUM ADJ	Cumulative Adjustment

Acronym/ Abbreviation	Clear Text
DAPS	Document Automation and Production Service
DD	Distribution Depot
DDC	Defense Distribution Center
DDCI	Defense Distribution Center Instruction
DDCM	Defense Distribution Center Manual
DDKS	Defense Distribution Center Kuwait Southwest Asia
DDSP	Defense Distribution Center Susquehanna, Pennsylvania
DECC	Defense Enterprise Computing Center
DEMIL	Demilitarization
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Service
DISA	Defense Information System Agency
DLA	Defense Logistics Agency
DLAD	Defense Logistics Agency Directive
DLAI	Defense Logistics Agency Instruction
DLAM	Defense Logistics Agency Manual
DLAR	Defense Logistics Agency Regulation
DLMS	Defense Logistics Management System
DoD	Department of Defense
DoDAAC	DoD Activity Address Code
DoDAAD	Department of Defense Activity Address Directory
DoDI	Department of Defense Instruction
DOLI	Date of Last Inquiry
DOT	Department of Transportation
DOT-E	Department of Transportation Exemption

Acronym/ Abbreviation	Clear Text
DRIS	Deficiency Reporting Investigation System
DRMO	Defense Reutilization and Marketing Office
DRMS	Defense Reutilization and Marketing Service
DRO	Disposal Release Order
DSC	Defense Supply Center
DSIO	DLA Systems Integration Office
DSN	Defense Switched Network
DSS	Distribution Standard System
DTCI	Defense Transportation Coordination Initiative
DTR	Defense Transportation Regulation
DTS	Defense Transportation System
DTTS	DoD Transportation Tracking System
EDA	Electronic Document Access
EDI	Electronic Data Interchange
EDMS	Electronic Document Management System
E-FORMS	Electronic Forms
EJON	Equipment Job Order Number
EMACS	Equipment Management and Control System
EO	Executive Order
EPA	Environmental Protection Agency
EPSQ	Electronic Personnel Security Questionnaire
ESD	Electrostatic Discharge
ESDS	Electrostatic Discharge Sensitive
ESOC	Emergency Supply Operations Center
ETR	Export Traffic Release

Acronym/ Abbreviation	Clear Text
EWO	Equipment Work Order
FAR	Federal Acquisition Regulation
FBI	Federal Bureau of Investigation
FCC	Federal Communications Commission
FedEx	Federal Express
FIFO	First In First Out
FLIPL	Financial Liability Investigation of Property Loss
FLIS	Federal Logistics Information System
FMR	Financial Management Regulation
FMS	Foreign Military Sales
FPCON	Force Protection Condition
FSC	Federal Supply Class
GATES	Global Air Transportation Execution System
GBL	Government Bill of Lading
GFE	Government-Furnished Equipment
GFF	Government-Furnished Facilities
GFM	Government-Furnished Material
GFMS	Global Freight Management System
GFP	Government-Furnished Property
GOCARE	Government Cargo Recovery Effort
GTN	Global Transportation Network
HAZMAT	Hazardous Material
HCC	Hazardous Characteristics Code
HMIRS	Hazardous Material Information Resource System
HT	Heat Treated

Acronym/ Abbreviation	Clear Text
HW	Hazardous Waste
IATA	International Air Transport Association
IAV	Inventory Adjustment Vouchers
IAW	In Accordance With
IBS	Integrated Booking System
ICOD	Inventory Cut-Off Date
ICP	Inventory Control Point
ID	Identification
IDS	Intrusion Detection System
IERL	Inventory Evaluation Research List
IM	Item Manager
IMDGC	International Maritime Dangerous Goods Code
IPG	Issue Priority Group
IPPC	International Plant Protection Convention
IR	Incident Report
ISDR	Incoming Supply Discrepancy Report
ISPM	International Standards for Phytosanitary Measures
IT	Information Technology
JON	Job Order Number (also known as an Internal Order Number)
KCC	Kind, Count and Condition
KO	Contracting Officer
LAN	Local Area Network
LLRC	Long Life Reusable Containers
LLRW	Low Level Radioactive Waste
LPG	Liquefied Petroleum Gas (Propane)

Acronym/ Abbreviation	Clear Text
LSN	Local Stock Number
LTL	Less Than Truckload
MAPAD	Military Assistance Program Address Directory System
MARSSIM	Multi-Agency Radiological Survey and Site Investigation Manual
MFTRP	SDDC Freight Traffic Rules Publication
MHE	Material Handling Equipment
MHS	Material Handling System
MICAP	Mission Capable
MIL-HDBK	Military Handbook
MIL-STD	Military Standard
MILSTRAP	Military Standard Transaction Reporting and Accounting Procedures
MILSTRIP	Military Standard Requisitioning and Issue Procedures
MIS	Management Information System
MMAC	Material Management Aggregation Code
MMHS	Mechanized Material Handling System
MOP	Method of Preservation
MRO	Material Release Order
MSDS	Material Safety Data Sheet
MSL	Military Shipping Label
NACI	National Agency Check with Inquiry
NATO	North Atlantic Treaty Organization
NCB	National Codification Bureau
NIIN	National Item Identification Number
NISPOM	National Industrial Security Program Operating Manual
NMCS	Not Mission Capable Supply

Acronym/ Abbreviation	Clear Text
NMFC	National Motor Freight Classification
NORS	Not Operational Requisition Supply
NP	New Procurement
NSN	National Stock Number
OCONUS	Outside the Continental United States
OEM	Original Equipment Manufacturer
OJT	On-the-Job Training
OPSEC	Operational Security
OSHA	Occupational Safety and Health Administration
PC	Personal Computer
PCB	Polychlorinated Biphenyls
PICD	Physical Inventory Cutoff Dates
PICP	Physical Inventory Control Program
PIN	Personal Identification Number
PMCS	Partially Mission Capable Supply
PMRD	Pre-positioned Material Receipt Document
POC	Point-of-Contact
POD	Proof of Delivery
POE	Port of Embarkation
POP	Performance-Oriented Packaging
POR	Proof of Receipt
POS	Proof of Shipment
POV	Privately Owned Vehicle
PPC	Production, Planning and Control
PPE	Personal Protective Equipment

Acronym/ Abbreviation	Clear Text
PPP&M	Preservation, Packaging, Packing and Marking
PQDR	Product Quality Deficiency Report
pRFID	passive Radio Frequency Identification
PSI	Personnel Security Investigations
PSS	Protective Security Service
QASP	Quality Assurance Surveillance Plan
QBD	Quantity by Detail
QBG	Quantity by Global
QBL	Quantity By Location
QBO	Quantity by Owner
QBS	Quantity By Location Site
QC/CSP	Quality Control/Customer Satisfaction Plan
QLR	Quantitative Location Reconciliation
QMF	Query Management Facility
QSL	Quality Status List
RCN	Receipt Control Number
RCP	Recycling Control Program
RCRA	Resource Conservation and Recovery Act
RDD	Required Delivery Date
RDO	Redistribution Order
REPSHIP	Report of Shipment
RF	Radio Frequency
RFI	Ready for Issue
R-FORM	Reproducible Forms
RIC	Routing Identifier Code

Acronym/ Abbreviation	Clear Text
SAMM	Security Assistance Management Manual
SCAC	Standard Carrier Alpha Codes
SDR	Supply Discrepancy Report
SED	Shipper's Export Declaration
SF	Standard Form
SITREP	Situation Report
SIT SDR	Stock in Transit Supply Discrepancy Report
SLC	Shelf-Life Code
SLES	Shelf-Life Extension System
SMS	Systems Management Server
SPI	Special Packaging Instruction
SPOCO	Single Point of Contact Office
SRT	Spill Response Team
SSMR	Storage Space Management Report
SUM VAR	Summary Variance
SURC	Shipment Unit Route Code
TA	Transportation Agent
TCMD	Transportation Control Movement Document
TCN	Transportation Control Number
TCTO	Time Compliance Technical Order
TDR	Transportation Discrepancy Report
TE	Technical Exhibit
TFG	Transportation Facilities Guide
TL	Truckload
TO	Technical Order

Acronym/ Abbreviation	Clear Text
TP	Transportation Priority
TPIC	Type Physical Inventory Code
TPS	Transportation Protective Service
TTC	Tailored Transportation Contract
UN	United Nations
UPS	United Parcel Service
US	United States
USA	United States Army
USARCENTCOM	United States Army Central Command
USASAC	US Army Security Assistance Command
USC	United States Code
USPS	United States Postal Service
WAWF-RA	Wide Area Workflow – Receipts and Acceptance
WFR	Warehouse Fill Rate
WIP	Work In Progress
WPM	Wood Packaging Material
WRM	War Reserve Materials
WWX	Worldwide Express

2.3 DOD DICTIONARY

A. The DoD Dictionary of definitions and terms is available on the Internet at http://www.dtic.mil/doctrine/jel/doddict.

SECTION C-3 GOVERNMENT-FURNISHED PROPERTY (GFP), SYSTEMS, TRAINING AND SUPPORT SERVICES

3.1 GENERAL INFORMATION

A. The Government will furnish or make available to the Contractor certain government property and services to use in the performance of work under this contract or as authorized by the KO or designee. The Contractor's acceptance and use of the GFP offered in carrying out the requirement of this contract does not relieve the Contractor of the responsibility for providing all resources and material necessary to perform the contract requirements. The Contractor is responsible and accountable for the appropriate use, maintenance, and care of GFP IAW the requirements established in this section.

3.2 GOVERNMENT-FURNISHED PROPERTY (GFP)

A. References to government property throughout Section C-3 regulated by FAR Part 45 and FAR Part 52.245-1 does not pertain to mission stock. GFP listed will be furnished by the Government and shall be utilized by the Contractor in the performance of work under the contract requirements. Government property listed will be made available by the Government in an "as is" condition (see FAR Part 52.245-19) for inspection for use in the performance of work under this contract. Failure or breakdown of GFP shall not excuse Contractor non-performance and shall not serve as the basis for any equitable adjustment. Government property will be provided at no cost to the Contractor and will be subject to the conditions contained in FAR Part 52.245-1, Government Property (June 2007).

B. The Contractor shall complete and submit to the KO or designee a report on property damage, equipment damage, and motor vehicle mishaps (see C-5.1.1.2, Liability for Government Property). The Contractor shall include an estimated cost of property, equipment, or vehicle damages.

C. The following paragraphs of this Section are divided into two sub-paragraphs: A and B. The A sub-paragraphs identify the Government's role and the B sub-paragraphs identify Contractor responsibilities.

3.2.1 RESERVED

3.2.2 GOVERNMENT-FURNISHED EQUIPMENT (GFE)

A. GFE being furnished for use in the performance of the contract requirements is set forth in TE 3.3 Material Handling Equipment, and TE 3.4 Miscellaneous Equipment and Tools. GFE is offered in place and its current condition. The Government will update the accountable property record for transfer to the Contractor. GFE in excess of $100,000 per unit is classified as Capital Equipment. Replacement of Capital Equipment is normally the responsibility of the Government; however, the Contractor may be required to replace MHE in excess of $100,000. Title to any replacement GFE purchased by the Government will remain at all times with the Government.

B. Title to any replacement GFE purchased by the Contractor will remain at all times with the Government.

1. The Contractor shall manage the transporting, installation, modification, and repair of GFE to make suitable for use upon full performance. The Contractor shall use the accountable property system to maintain inventory control and accountability of all GFE that has a purchase value equal to or greater than $300 and all pilferable items (currently defined as cameras) regardless of purchase value. Furniture is not included in the accountable property system. The Contractor shall request access to the accountable property system by completing DD Form 2875 and attaching the Foundations of Government Property Training Certificate (See TE 3.9, GF Training). Upon approval of the DD Form 2875, the Contractor will be given access to the accountable property system to inquiry and change location information to keep current. The Contractor shall perform a physical inventory annually, which includes reconciling the accountable property system with all GFE changes in location and notifying the KO or designee of any additions and/or deletions. The physical inventory for each assigned hand receipt may be accomplished on an incremental basis and spaced evenly throughout the calendar year. IAW DoD 5000.64, Accountability and Management of DoD-Owned Equipment and Other Accountable Property, which states: "The use of Automatic Identification Technology (AIT) to assist in property accountability is mandatory unless it is demonstrably proven through cost benefit or other analysis that implementation would not be practicable". The Contractor shall use a Government provided barcode scanner compatible with the accountable property system to automatically generate and download inventories to the hand held scanner to perform the annual inventory requirements. The Contractor shall notify the KO or designee of the planned property inventory schedule and the KO or designee will make available barcode scanners for the Contractor to conduct the electronic physical inventories. The Contractor shall return the barcode scanners to the KO or designee once the inventories are completed. The Contractor shall prepare and submit to the KO or designee an annual certification no later than September 30th of each year. A signed and dated hand receipt is an acknowledgement that the inventories have been completed, the accountable property system records are current, and accurately reflects accountable property valued at $300 or more.

2. When the Contractor no longer wants to continue to operate a piece of GFE, the Contractor shall notify the KO or designee to return the GFE back to the Government. The Contractor shall prepare DLA Form 1311 and forward to the KO or designee for government approval prior to disposal of any GFE. If government approval is granted, the Contractor will receive the necessary documentation from the Accountable Property Officer (APO). The Contractor shall perform the same requirements for GFE as specified in paragraph C-4.6.5, Equipment Disposal and transport the asset as directed by the KO or designee. The Contractor shall comply with DoD and agency requirements (see DoD 4160.21-M, Defense Material Disposition Manual; and DoD 4160.21-M-1, Defense Demilitarization Manual) for the turn-in of property to the DRMO. The Contractor shall be responsible for all costs associated with the rejection of property determined by the DRMO to be in non-compliance with mandated requirements. If the KO or designee directs redistribution of the asset to another DDC activity, the Contractor shall prepare and ship the item IAW the disposition instructions. Termination of use and disposal of GFE used by the Contractor shall not relieve the Contractor of any of its obligations or liabilities under the performance of these contract requirements.

3. At the end of this contract, the Contractor shall turn over GFE in safe, usable operating condition. The Government may bill the outgoing Contractor for costs incurred to bring GFE to safe, usable operating condition, as determined by the Government.

4. IAW DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: Support Equipment Operations Process, and Title: Support Equipment Maintenance and Support Equipment Disposal Process; FAR Part 52.245-1, Government Property; and FAR Subpart 45.5, Management of Government Property in the Possession of Contractors, Section 45.502a, Contractor Responsibility, the Contractor shall operate and maintain GFE. The Contractor shall perform preventative and corrective/remedial maintenance IAW C-4.6, Equipment Maintenance for GFE.

5. The Contractor shall replace GFE except IT equipment, costing less than $100,000 per unit.

6. The Contractor shall work with the KO or designee to request Capital Equipment (>$100,000) per unit replacement, augmentation, modernization, and systems projects. (See Capital Investment Document in the Technical Library). The Contractor shall submit the required documentation IAW the Functional Requirements Description for Identifying New Capital Equipment Investment Requirements found in the Technical Library to the KO or designee and can be integral and active participant in the development of the Government Capital Equipment Replacement Plan. In order to accommodate the funding lead-times associated with Capital Equipment, the Contractor shall notify the KO or designee at least three years in advance of the anticipated replacement date in order to provide the Government with sufficient time to obtain approval and funding. Funding for such requests is accomplished at the discretion of the Government; however, the contractor may be required to replace MHE in excess of $100,000.

7. Contractor employees that operate or maintain motor vehicles, MHE, hoisting and rigging equipment, or other equipment shall obtain the required licensing, certification, or specialized training prior to carrying out responsibilities and maintain them in a current status during the performance of the contract requirements (see TE 4.1, Contractor-Furnished Training). The Contractor shall provide the following information to the KO or designee for each employee requiring an operator's permit:

    1. Employee name and proof of license or certification.
    2. Vehicle or equipment to be operated.
    3. Capacity of vehicle or equipment to be operated.
    4. Nature of operation as part of duties (e.g., basic requirement for the job, incidental to the job).
    5. Extension and office to be contacted for scheduling action.

8. Contractor employees that operate motor vehicles to include, but not limited to, heavy tow tractors, semi-tractors, over the road, should maintain a valid driver's license, if necessary with all class and commodity endorsements in accordance with laws

established by the Kuwait Ministry of Interior for the type of vehicle operated or commodity being transported.

9. Contractor employees that operate MHE shall be trained IAW TE 4.1, Contractor Furnished Training.

3.2.2.1 RESERVED

3.2.2.2 MATERIAL HANDLING EQUIPMENT (MHE)

A. MHE being furnished for use in the performance of the contract requirements is set forth in TE 3.3, GFE-MHE in EMACS (See Paragraph C-4.6, Equipment Maintenance).

B. The Contractor shall:

1. Manage all maintenance of Government-furnished MHE.

2. Perform and document daily operator maintenance. Prior to operating equipment, the Contractor shall inspect equipment for discrepancies before, during, and after operation to ensure that the equipment is in a safe and serviceable condition. Example of a pre-use daily inspection is included in the Technical Library. The Contractor shall perform operator maintenance that includes, but is not limited to maintaining tire pressure, and topping off fluid levels. The Contractor shall document discrepancies and immediately report discrepancies that exceed Contractor repair authorization or capabilities (see Paragraph C-4.6, Equipment Maintenance) to the KO or designee.

3. Perform preventative and corrective and remedial maintenance (including normal parts replacement of such items as batteries). See paragraph C-4.6, Equipment Maintenance.

3.2.3 OTHER EQUIPMENT

A. Warehouse equipment includes but is not limited to storage aids, tools, and other equipment such as scooters and carts, Industrial Plant Equipment (IPE), and office equipment and is listed in TEs 3.4, GFE-Miscellaneous Equipment and Tools and 3.5 GFE-Office Equipment . Warehouse equipment is furnished for use in the performance of the contract requirements. This equipment is provided “as is”. The Government does not warrant its condition or suitability for use by the Contractor.

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B. The Contractor shall perform maintenance and repair of government-furnished other equipment. The Contractor shall maintain, dispose, and replace the batteries when required and conduct maintenance and repairs to component level on all industrial manufacturing equipment such as, but not limited to dust collectors, band and table saws, banders, scales, and sealers. Other maintenance requirements include mechanical, electrical, electronic and digital electronic, general millwright, and welding. The Contractor shall repair and/or replace any racks the Contractor damages.

3.2.4 INFORMATION TECHNOLOGY (IT) ASSETS

A. The Government will furnish network equipment, desktop hardware, software, printers, wireless devices, and DSS workstations based on requirements identified during the initial IT Site Survey. Microsoft Systems Management Server (SMS) will be implemented at all DDC Distribution Depots and used to monitor government-furnished and approved software and operation of IT on the government network at the Depots. The Government will:

1. Provide and assign new Internet Protocol addresses for new equipment installed on the government-furnished Local Area Network (LAN).

2. Upgrade or replace government-furnished IT equipment, including replacement parts and components of end device IT equipment, that is operational and being used by the Contractor in the performance of the contract requirements to meet the minimum system requirements. The KO or designee will provide a minimum of 10 working days notice of the date equipment is to be received by the Contractor.

3. Maintain and provide support for problems with any mandated government-furnished software systems.

4. Perform system administration functions for all IT infrastructure components to include mid-tier servers; exchange servers; file servers; LAN Telecommunication equipment to include hubs, switches and routers; and primary domain controllers and backup domain controllers to ensure standard and equal platforms between the DDC and the distribution facilities. System administration services will include loading, configuring, and maintaining the operating system software, system readiness, user access, file back-up analysis, troubleshooting and performing system/database recoveries.

5. Upgrade, change, and implement new information technology.

6. Perform technical support to the LAN, Network Operation System, metropolitan area circuitry (T-1 Lines), and wide area (long haul) communication environment.

7. Retain responsibility for all firewall and Intrusion Detection System (IDS) software.

8. Furnish upgrades and changes to any government-furnished and approved software for local servers and download this software to end user workstations as appropriate.

9. Maintain IT support responsibilities for any RF network components required for the performance of the PWS requirements. The RF Network consists of at least one RF Controller, RF Gateways and RF Hand-Held Computers.

B.

1. Contractor access to Government-furnished IT data systems shall be granted on a “need-to-know” basis, IAW DLAD 8500.6, Chapter 4.11 to Contractor personnel who will perform data input and retrieval functions and for “clearance special access,” if applicable, IAW DoD 5200.2-R. At contract award, the Contractor shall request IT access for employees requiring access and passwords to the Government-furnished data systems. (see paragraph C-1.4.9, Information System Security). All Contractor employees who perform data entry and query functions will require IT level III category eligibility (the minimum access level that includes no sensitive or classified information).

2. The Contractor shall notify the KO or designee within one hour when a Contractor employee is no longer eligible for access to Government systems for reasons of personnel resignations, reassignments, terminations, or completion of portions of the contract.

3. To perform the following requirements, the Contractor shall ensure that individual(s) have an IT II eligibility and are certified IAW DoD 8570.01-M, Information Assurance Workforce Improvement at the IAT Level I and the appropriate Computing Environment Certification (See TE 4.1 Information Technology (IT) Certification for Contractor Furnished Training) to perform the Contractor's IT requirements, which follows within six months of contract award. In the event the Contractor needs to replace these certified employees, the Contractor shall hire already certified IAT Level I personnel. The Government expects no more than four to six Contractor employees will require these certifications. Contractor employees shall be certified in the computing environment of any system they have privileged access. The following table lists the certifications that will be accepted. This list is subject to change. Contractor employees may submit certifications that are not listed and request inclusion in the accepted list and the KO or designee will review the request and notify the Contractor of the decision.

LIST OF ACCEPTABLE COMPUTING ENVIRONMENT CERTIFICATIONS	
M2003	Microsoft 2003
MCDST	Microsoft Certified Desktop Support Technician
Windows XP	Windows XP

5. The Contractor shall:

a) Upon notification of expected delivery date of new or replaced IT equipment, provide the KO or designee with a schedule to install the IT equipment. The KO or designee will approve or provide comments back to the Contractor regarding the proposed schedule. The intent of the schedule is to ensure the Contractor provides weekly status reports to ensure the IT equipment is installed within a reasonable timeframe upon receipt. The KO or designee will provide approval or comments to revise the schedule prior to the IT equipment delivered to the Contractor. The Contractor shall resubmit the schedule for approval, if required, within three days if original schedule was not approved

b) Perform installation on new or replaced IT equipment to begin IAW the approved schedule (see paragraph B. 1. above) and provide a weekly status reported against the approved schedule to the KO or designee at the end of each week during the installation time period.

c) Provide technical support, configuration, and troubleshooting (see TE 3.7, IT Troubleshooting Guidelines) of all software and hardware on the end device at the discretion of the KO or designee. If the initial troubleshooting determines the problem is the software, end device (hardware), or network/LAN connectivity, the Contractor shall contact the KO or designee for support to correct the problem.

d) Perform routine maintenance including the installation of parts or components of end device IT equipment, including RF Hand-Held and Vehicle Mounted equipment at the direction of the KO or designee.

e) Facilitate the Government's ability to execute all taskings and advisories on all systems accessing a DoD network in the time required. The KO or designee will notify the Contractor for the parameters of the monitoring and reporting requirements for each individual tasking. The Contractor may request a waiver to extend the completion date. The Contractor's waiver request shall include the specific reason why a time extension is required, anticipated completion date and any other information requested by the KO or designee. The Contractor's failure to comply with government instructions will result in the effected machines/networks being isolated from the DoD Network.

f) Submit all proposed IT replacements requests in writing to the KO or designee if IT is inoperable and does not fall into the next IT replacement cycle.

g) Coordinate movement of existing equipment with the KO or designee. The Contractor shall identify LAN/telecommunications and dedicated power requirements to the KO or designee.

h) Attempt to resolve connectivity problems prior to notifying the KO or designee. The Contractor shall notify the KO or designee when maintenance, repair (after the Contractor has attempted to resolve the problem), or change in service is required. Contractor personnel shall not change physical or virtual configuration without the KO or designee approval. The Contractor shall be responsible for all costs associated with Contractor-initiated upgrades, changes in services, or the addition or relocation of an access point to the LAN with prior approval from the KO or designee.

i) The Contractor shall not upgrade client operating systems or install any software applications programs. The Contractor shall not change workstation Internet protocol addresses currently assigned to government-furnished workstations without KO or designee approval.

j) Provide initial response to end-user support including, but not limited to:
   (a) Fielding end-user trouble calls
   (b) Coordinating scheduled downtime
   (c) Conducting user orientation briefings
   (d) Serving as the focal point for IT eligibility submissions
   (e) Maintaining a file of clearances received
   (f) Conform to the IT standards established by DLA to maintain network integrity/security and ensure interoperability within DLA and with the DoD community. The Contractor shall adhere to requirements regarding all aspects of the telecommunications infrastructure.

3.3 GOVERNMENT-FURNISHED MATERIAL (GFM)

A. It is not anticipated that the current Contractor will have any residual material and supplies. Therefore, the government will not provide GFM unless the current Contractor has residual material and supplies on hand at the start of full performance. The Sample list of Consumable Supplies in the Technical Library is a snapshot list of material and supplies used for depot operations and by no means are all inclusive of material and supplies to perform the requirements of this PWS.

B. The Worldwide Express (WWX) contracts now have nine (9) carriers: DHL, Federal Express (FedEx), United Parcel Service (UPS), US Airways, National Air Cargo, Miami Air, Air Transportation International, Ryan Air, and Continental. The websites for the express small package contracts are:

1. DoD BPA: https://private.amc.af.mil/A4/a4dir/a4t/transporter/express/domexpress/spsindex.htm

2. WWX: http://private.amc.af.mil/A4/WWX/index.htm

C. These small package contracts make available the same supplies and services provided to the small parcel carrier's commercial customers. These supplies and services are described in the carriers' Commercial Services Guides (CSGs). The web sites for these carriers are:

1. FedEx:

   (a) U.S. Government shipping (within the Continental U.S. (CONUS) and outside of the Continental U.S. (OCONUS)): http://www.fedex.com/us/government

   (b) Commercial: http://www.fedex.com/us/services

2. ASTAR/DHL: http://www.dhl-usa.com/dod

3. UPS: http://www.ups.com/using/svc-index.html

D. The Government will furnish 463L pallets, nets, and cargo tie-down straps for building shipments transported by air. These materials will be supplied by the KO or designee. The Contractor shall immediately notify the KO or designee when supplies of 463L pallets, nets, and cargo tie-down straps fall below the level required for 21 days of continuous operations.

E. The Government will furnish aRFID tags and related equipment for use in preparing shipments preparation IAW paragraph C-5.5.1.8 Shipment Preparation. The Contractor shall provide the KO or designee requests to reorder aRFID tags to allow a minimum of 90 calendar days lead time for the Government to generate sufficient quantities.

F. The Contractor is responsible for providing all other material not addressed in this section necessary to perform the contract requirements (see Section C-4.4, Contractor-Furnished Material).

3.4 GOVERNMENT-FURNISHED DATA SYSTEMS

A. The Government will furnish and the Contractor shall use the government-furnished data systems identified in TE 3.8, Government-Furnished Data Systems, in the performance of the contract requirements. The Government is responsible for the upgrade and maintenance of government-furnished, non-commercially available systems.

B. The Contractor shall submit background checks IW C-1.4.4 Personnel Security and System Authorization Requests (DD Form 2875) (see Technical Library) for any personnel requesting access to any data system listed in TE 3.8 in addition to personnel security

requirements in Section C-1.4.4 Personnel Security. Some Government IT data systems will require IT Level II eligibility.

3.5 GOVERNMENT-FURNISHED TRAINING

A. The Government will furnish and the Contractor shall complete the initial and refresher training courses identified in TE 3.9, Government-Furnished Training, for Contractor personnel to comply with government training requirements. The Government will be responsible for instructor costs associated with government-furnished training whether on-site or off-site.

B.

1. The Contractor shall be reimbursed for travel costs for attending government-furnished training. The Contractor shall be responsible for any costs in excess of that allowed under FAR Part 31.205-46, Travel Costs, and the appropriate regulations cited therein, incurred as a result of its attendance at the government-furnished off-site training. For Contractor employees in excess of the number authorized to attend, the Contractor shall be responsible for all costs incurred for government-furnished off-site training. The Contractor shall be responsible for all costs incurred for on-site or off-site government-furnished training in excess of the referenced frequency (i.e., one-time or recurring not to exceed one-time per year).

2. The Contractor shall train and certify all Contractor personnel IAW all federal, local, and contract requirements. Contractor personnel shall complete all the training listed in TE 3.9, Government Furnished Training, within the time specified. The Contractor shall maintain training records and shall make available for the KO or designee to review upon request. The training records shall include, at a minimum, the name of the employee, the name of the course, the source of the training, a description of the training furnished and the date the employee successfully completed the training.

3. During and after the phase-in period, government-furnished training will be coordinated between the Contractor and the KO or designee. The Contractor shall notify the KO or designee when government-furnished training is required due to refresher or repeat training requirements or for new personnel.

4. IAW 49 CFR, Transportation, Part 172.704, Training Requirements; a new HAZMAT employee, or a HAZMAT employee who changes job functions, may perform those functions prior to the completion of Contractor or government-furnished training and receipt of certification provided that:

   (a) The employee shall perform those functions under the direct supervision of a properly trained and certified HAZMAT employee; and

   (b) The employee shall complete the training within 90 calendar days after employment or a change in job function.

(c) The Contractor shall maintain employee training and certification records for as long as the individual works for the Contractor as a HAZMAT employee and for 90 calendar days thereafter.

5. After completion of the one-time government-furnished training, the Contractor shall train its employees as required to comply with the contract requirements. The Government may provide additional training at its discretion during the performance period. Any training in addition to the Government-Furnished training, including the cost of the training, shall be the responsibility of the Contractor.
6. The Contractor shall participate in the DDC Distribution Logistics (SWARM) Training Program. Training includes the following courses:

    (a) Cold Chain Management

    (b) Inert Certification

    (c) Packaging and Handling ESDS

    (d) SWARM 1-Warehousing

    (e) SWARM 2-Inventory

    (f) SWARM 3-Receiving

    (g) SWARM 4-Shelf Life/COSIS/Stock Readiness

    (h) SWARM 5-ISDR

    (i) Processing FMS Shipments

    (j) Storage and Handling of Classified Material

    (k) Weight and Cube-Top 100

    (l) UN Conformance Packaging

7. Contractor employees shall complete mandatory distribution functional training within 90 days of employment and mandatory repeat training biennially (See TE 3.9 Government-Furnished Training for mandatory training). If an employee performs multiple distribution functions (e.g., receiving, warehousing, inventory, and stock readiness etc.), the employee shall complete an open-book final assessment at the completion of each training session. A passing score of 75% is required to receive a certificate of completion. If the employee does not obtain 75% on the final assessment, the Contractor employee shall take the following remedial action:

    a. Take the final assessment again.

    b. Repeat the class and retake the final assessment or;

    c. Receive on-the-job training and retake the final assessment

    The Contractor shall ensure employees do not perform any distribution functions without direct line of sight supervision until they have taken and passed a final assessment for the functional training for which they are performing the requirements in Section C-5. In the event of an incident or performance issues arise, the Contractor shall provide proof of training completion (i.e., certification of completion) immediately upon request by the KO or designee.

The Contractor shall prepare and submit to the KO or designee an annual statement of training compliance NLT five (5) working days after the end of the fiscal year.

3.6 GOVERNMENT- FURNISHED SUPPORT SERVICES

A. At no cost to the Contractor, except as noted below, the Government will furnish the services listed in this section to be used exclusively to perform the requirements of this contract.

B. The B sub-paragraphs identify the Contractor's responsibilities pertaining to Government-furnished Support Services.

3.6.1 ENVIRONMENTAL

A. The Government will serve as the single POC with all environmental regulatory agencies, including interpreting regulations, coordinating inspections, and submitting reports and correspondence. The Government is responsible for all costs incurred for the disposal of HW such as waste generated in the performance of operations to support the performance of the Contract performance. Additionally, the Government is responsible for the cost for disposal of HW resulting from mission stock Disposal Release Orders (DRO).

B. The Contractor shall:

1. Comply with "Environmental Final Governing Standards for United States Forces in the State of Kuwait" and the Overseas Environmental Baseline Guidance Document (OEBGD).

2. Prepare, maintain and implement a Spill Prevention and Response Plan (SPRP) for handling hazardous spills IAW OEBGD, Chapter 18. The Contractor is responsible for all environmental services to include emergency hazardous substance spill response, control and containment support, clean up, and disposal including sampling and/or analysis reports. Spills over 110 gallons, or of an acutely toxic substance, or that results in an injury or that involve the Kuwait waters or water supply shall be reported through the KO or designee to USARCENT (AFRD-EN-E) to USCENTCOM (CCJ4-E) within 24 hours of response/containment.

3. Prepare, maintain and implement a Hazardous Material Program Management Plan (HMMP) that indicates procedures for inspection and operations of security, safety and emergency response systems operated by the Contractor. The Contractor shall include in the plan a chart indicating inspection times and results of inspections as well as training of Contractor employees in proper HAZMAT management, storage, usage, transportation, marking, labeling and inspection procedure. The Contractor shall include in the plan proper and safe handling procedures of HAZMAT and an emergency plan describing personnel and equipment available, training procedures and records, evacuation routes and exits, and procedures for containing and controlling explosions, fires, or spills of HAZMAT and HW.

4. Comply with new and existing US Laws, DoD Directives and Kuwaiti environmental laws as applicable and shall coordinate inspections and submit reports and correspondence to the KO or designee when requested.

5. Maintain any environmental related permits required by the State of Kuwait and shall maintain (HW) Accumulation sites for turning in HW IAW Kuwait Environmental regulations.

6. Train Contractor personnel in HAZMAT handling practices, spill response and provide Material Safety Data Sheets (MSDS) for all HAZMAT handled. The Contractor shall provide MSDS in English and in the host nation's native language. The Contractor shall submit successful completion of all environmental related training records to the KO or designee when requested.

7. Maintain records of inventory, analysis, identification, transportation, employee training and HAZMAT disposal for at least five years. The Contractor shall retain all manifests five years and all shipping papers for a minimum of three years.

8. Pay all costs associated with penalties or other actions resulting from any environmental degradation to air, land or water.

9. Pay for all costs (e.g., equipment, labor, and supplies) associated with a hazardous spill(s) caused by the Contractor to include spill response, spill containment, clean-up, disposal, sampling and laboratory analysis and all other remedial actions required by the State of Kuwait and any other Local regulations.

10. Participate in environmental programs, internal or external audits, inspections, and regulatory assessments as required by the KO or designee.

11. Conduct external environmental compliance audits every three yeas and internal audits each year when an external audit is not being performed. The Contractor shall submit a copy of the audit reports to the KO or designee.

12. Comply with 40 CFR environmental disposal regulations as well as 49 CFR Hazardous Materials Table to oversee the process and disposal of all HW by accurately identifying HW with a Material Safety Data Sheet (MSDS) or laboratory analysis, maintaining generator logs, packaging, marking and labeling and documenting disposal actions.

13. Coordinate all environmental compliance issues including contacts with environmental regulatory agencies, inspections, reports, and correspondence with the KO or designee.

14. Designate a trained primary and alternate person to oversee environmental compliance and HW accumulation site management as the designated Activity Hazardous Waste Coordinator (AHWC). The Contractor shall provide an AHWC Letter of Appointment to the KO or designee upon designation of each new AHWC and alternate. The AHWC shall monitor and inspect HW accumulation, turn-in, disposal procedures and emergency response procedures.

15. Ensure that all solid waste is disposed of in Kuwaiti approved landfills. The Contractor shall not send steel and poly drums containing nonhazardous waste to the municipal landfills without explicit permission from the KO or designee.

3.6.2 FORMS

A. Forms services will consist of providing a copy of any form (not produced through an automated system) that is currently used to perform work under these contract requirements. Additionally, the Contractor will be furnished access through the LAN and current forms software to those forms that have been automated. Government forms to be provided are listed with web links in TE 6.1, Government Forms.

B. The Contractor shall requisition forms through the KO or designee and replenish sufficient quantities of forms that are not available electronically to meet normal operational requirements.

3.6.3 RADIO FREQUENCIES (RF)

A. RF service will consist of controlled transmitted RFs within the Contractor's facilities.

B. The Contractor shall use only those RFs assigned to them. The Contractor shall coordinate requests for changes or additions to RFs with the KO or designee. The Contractor shall comply with all Federal Communication Commission (FCC) regulations. The Contractor shall use equipment as installed and not alter without written consent from the KO or designee.

3.6.4 RECORDS MANAGEMENT

A. Records management services will consist of converting those paper documents listed in TE 3.10, Sample Documents Scanned into Electronic Document Management System (EDMS), to electronic records. The electronic records are stored in the EDMS and are available to authorized users. Access to EDMS requires individuals to hold a license.

B. The Contractor shall complete appropriate documentation as necessary for each of the contract requirements. The Contractor shall retain source documents IAW DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: Source Document Retention. Source documents include but are not limited to receipts, issues, shipments, transfers, supply condition code (CC) changes, and inventory/financial adjustments. The Contractor shall create and maintain complete and accurate hardcopy documentation files for information that is not put into EDMS. The Contractor shall be responsible for all supplies and transportation costs associated with file retention for documents not scanned into EDMS. The Contractor shall:

1. Coordinate with the KO or designee to develop a document pickup and return schedule to accomplish timely imaging.
2. Provide ready access to files/documents for scanning and indexing.
3. Establish and manage priorities for imaging work.
4. Prepare documents for turnover, including that documents are legible and single-side only for easy scanning, removing staples and other fasteners, sorting and bundling the documents by functional category (e.g., Receiving, Transportation, Inventory, and clearly marking a document number or National Stock Number (NSN) on each piece of paper that does not have a printed number.

5. Notify the KO or designee if document scanning and indexing is performed unacceptably.
6. Coordinate with the KO or designee to request modifications to the document scanning contract or additions/deletions to the documents listed in TE 3.10, Documents Scanned into EDMS.

7. Store or dispose of returned documents IAW DLAD 5025.30, DLA One Book, Chapter: Information Operations, Title: Records Management.

8. The Contractor shall submit to the KO or designee the names and positions of each Contractor employee who requires an EDMS license prior to the end of the phase-in period. The Contractor may request additional EDMS licenses in writing to the KO or designee during the performance periods. The Contractor's request shall include the names and positions of each of the current license holders, and the names and positions of each of the Contractor employee(s) for whom additional EDMS licenses are being requested.

9. The Contractor shall be responsible for ensuring that no classified documents are sent to DAPS for scanning into EDMS. Additionally, the contractor shall identify and segregate FMS documents so that after DAPS has scanned them into EDMS they can be returned to the contractor for appropriate hard copy retention and disposition.

3.6.5 TELEPHONE

A. Land-line telephone services will consist of those land-line telephones and levels of service required to operate government-furnished IT Data Systems. The Government will relocate government-furnished land-line telephone equipment.

B. The Contractor shall provide land-based, fiber optic T-1 telephone line(s) to support all site telecommunications service and equipment in Kuwait for accomplishment of the requirements of this contract.

3.6.6 RADIATION PROTECTION PROGRAM

A. DDKS is not specifically identified to receive radioactive materials (RAM), but it is possible to receive RAM in the course of the performance of the requirements. The Government will provide RPO support to monitor radioactive contamination and exposure for any items and devices received, perform swipes and evaluate the results.

B. The Contractor shall be familiar with the requirements for managing radioactive items; protection of employee's health; and complying with ALARA policy. The Contractor shall be aware of the regulations and safety precautions in the improbable event that RAM is received. If radioactive items are received, the Contractor shall secure the package in place and contact the KO or designee immediately. In addition to these requirements, the Contractor shall comply with the instructions governing the Management of Commodities Containing Radioactive Materials Received at Defense Distribution Center-Kuwait, located in the Technical Library.

SECTION C-4 CONTRACTOR-FURNISHED FACILITIES, EQUIPMENT, MATERIAL, TRAINING, AND SUPPORT SERVICES

4.1 GENERAL INFORMATION

A. The Contractor shall provide all facilities, equipment, material, and supplies necessary to perform the requirements of this contract. Optional GFE and GFM (see paragraph C-3.2.2 GFE; and Section C-3.3, GFM) are available for use by the Contractor as specified.

4.2 CONTRACTOR-FURNISHED FACILITIES AND OUTDOOR STORAGE AREAS

A. Within a 30 mile radius of Camp Arifjan, at the time of award, the Contractor shall provide a facility with a minimum of 1.5 million (one million five hundred thousand) square feet of indoor storage, forty thousand square feet of office space for Government personnel. At the time of award, the Contractor shall provide 1 million square feet of outdoor storage space and an additional 1 million square feet of outdoor storage space shall be ready for use NLT the end of the ninth (9th) month after award for a total of 2 million square feet of outdoor storage facility for the contract period. The Contractor shall provide a complete and usable existing facility, along with adjacent open storage to accommodate the storage space, operating requirements, and workload discussed in the contract requirements and TE 5.2, Projections. The Contractor shall have the ability to increase or decrease square footage storage requirements at the Government's request. The Contractor shall establish and abide by security procedures for facilities and storage areas as outlined in applicable regulations specific to the type of material stored in each area. The Contractor's facilities and storage areas shall comply with all applicable Federal, DoD, DLA and host nation standards, regulations, building codes, and policies, including environmental guidelines.

4.2.1 CONTRACTOR-FURNISHED FACILITIES

A. The Contractor's buildings shall be adjacent to one another, or in close proximity, and adjacent to the outside storage area. The building(s) and outside storage area shall be able to be segregated from other buildings or spaces, and shall include perimeter fencing and proper security lighting to enable around the clock operations. Outside storage areas shall not be utilized to store pilferable or sensitive. The Contractor's building(s) shall conform to standards listed in UFC 4-010-01, DoD Minimum Antiterrorism Standards for Buildings, and UFC 4-010-02, DoD Minimum Antiterrorism Standoff Distances for Buildings.

B. The Contractor's buildings shall be a permanent-type, weatherproof structure(s), with an environmentally controlled, air conditioned interior. (Winter 60 degrees Fahrenheit + or – 5, Summer 75 degrees Fahrenheit + or – 5). Clear stacking height in the storage areas shall be a minimum of 20 feet. The Contractor shall provide restroom/break room facilities for one shift comprising the Contractor's estimated level of effort, and office space that can be limited to Government personnel that is secure and lockable (complete with air conditioning, (Winter 70 degrees Fahrenheit + or – 5, Summer 75 degrees Fahrenheit + or – 5), electrical, phone, IT connections (10BaseT), tables, desks etc) for a staff of approximately 25 - 30 Government management personnel. Building(s) shall have adequate overhead lights (minimum of 20 foot candles in the storage areas, and 50 foot candles in office spaces), a fire sprinkler system, a fire alarm system, domestic potable water, level concrete floors,

portable fire extinguishers, adequate sized overhead cargo doors capable of accommodating MHE vehicle traffic, personnel doors, emergency exits, lights and emergency eye-washers/showers. The electrical system shall be capable of handling not only the usual building functions (lights, hot water heaters, HVAC equipment, etc.) but also have enough capacity to accommodate battery chargers for MHE equipment, and IT equipment or work stations. Fire doors shall be in place on interior fire walls. The Contractor shall provide a back-up generator capable of providing power for critical building systems such as lights, battery chargers, telephones, and IT operations in the event of a commercial power failure to provide power for basic operations in the event of a commercial power failure.

C. The Contractor's facilities shall contain the following IT infrastructure:

1. Land-based, fiber optic connectivity from the local commercial communications central office to support all site telecommunications service and equipment.
2. Single-mode fiber optic ring configuration between buildings for network backbone outside plant (OSP) cabling.
3. Ethernet 10BASE T CAT 6 inside plant (ISP) LAN cabling supporting end user devices and RF access point locations shall be installed using STAR configuration between communication closets and end user devices.
4. The ability to provide secure communication and abide by CJCS regulation 6510.1 to include background checks on all employees (see paragraph C-1.4.4 Personnel Clearance), obtain network accreditation, and agreement to validate compliance.
5. Allow the Government (J6-N) to install and maintain Border Protection equipment inside the communication closet physically connected between the facilities' LAN and ISP.
6. The ability to run a government-furnished distribution system (DSS) that meets the requirements of DISA Security Technical Guidelines (STIG), DoD 8500.1, DoD 8500.2, and DoD 5200.2-R.
7. Communication closets shall be environmentally controlled with independent HVAC system, capable of maintaining year-round temperature of 75 degrees Fahrenheit + or - 5, and humidity of 50% Relative Humidity (RH) + or - 5%.
8. Computer rooms shall be IAW TE 3.11 Computer Room Construction Policy.

D. The Contractor's buildings shall have an area for hazardous material storage that is segregated from other storage areas within the buildings, and shall include the following:

1. Limited access,
2. Well-ventilated environment to comply with applicable hazardous storage air exchange practices and polices IAW applicable Federal, DoD, DLA and host nation standards, regulations, building codes, and policies.
3. Secure storage capability, equipped with an electronic security system which includes, but is not limited to, an intrusion detection system that meets the criteria outlined in the DLAI 5710.1, E.3.n.(2).

E. The Contractor's buildings shall have pilferable and sensitive material storage areas that complies with segregated secure storage requirements which includes, but is not limited to, intrusion detection system(s) which meet the criteria outlined in DLAI 5710.1, E.3.n.(2).

4.2.2 CONTRACTOR FURNISHED OUTDOOR STORAGE AREAS

A. The Contractor's outdoor storage area shall have a reinforced concrete surface capable of accommodating forklift, truck and trailer, tug, container handler, and various other vehicular traffic used in the normal course of activity of a 24 hour, 7 day a week warehousing/logistics operation, regardless of environmental and weather conditions. Outside storage surface should be capable of accommodating static loads of potential weights approaching or exceeding that of three 20 and/or 40 foot MILVANs stacked three (3) high, with maximum weights up to of 40,000 pounds each. The Contractor shall provide lighting for this area. The Contractor shall provide a covered outdoor storage solution IAW the technical specifications detailed in TE 4.3, Technical Specifications of Structural Steel Shed. The KO or designee will approve the structure prior to initial storage use.

B. The Contractor shall provide a marshalling yard at the entry to the Contractor's property to allow physical searches of all vehicles prior to entry into the secured area. Within the marshalling yard, the contractor shall provide adequate parking spaces to accommodate a maximum of one hundred (100) large flatbed trucks at any given time. The marshalling yard shall have an improved surface of asphalt or concrete capable of accommodating truck and trailer, tug, and various other vehicular traffic. The space and parking provided by the yard shall prevent vehicles from staging on the roadway outside the contractor's facility and blocking traffic flow.

4.3 CONTRACTOR-FURNISHED EQUIPMENT

A. Except as provided for in FAR Part 52.245-11 (c), Government Property (Facilities Use), paragraph c, Title in the Facilities, title to Contractor-furnished equipment shall remain with the Contractor. Contractor-furnished equipment shall meet the same safety requirements as those established for government equipment. The Contractor shall provide Personal Protection Equipment (PPE.).

4.4 CONTRACTOR-FURNISHED MATERIAL

A. The Contractor shall furnish all material necessary to perform the contract requirements that includes but is not limited to:

1. Material necessary for distribution operations such as racks, bins, lumber for building renovations.
2. Building maintenance and janitorial supplies.
3. Office supplies.
4. MHE maintenance and repair parts.
5. Supplies for GFE.

B. The Contractor shall return to the Government any residual material at the termination of performance of these requirements. No inventory of the material returned to the Government will be taken at the termination of this contract.

C. The Contractor shall obtain written approval from the KO or designee for all facility maintenance projects with an estimated cost of $2500 or over.

D. The Contractor shall comply with the following and, upon request, report compliance to the KO or designee:

- DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: Pollution Prevention and Affirmative Procurement and the DDC-A Affirmative Procurement Guide, which provides the necessary reporting processes for implementing a successful program and includes guidance on compliance matters such as:
    1. Providing written certification stating the products meet minimum content standards
    2. Maintaining copies of certification documents
    3. Providing copies of the written certification to the KO upon request
- DoD 4140.01-M-1 Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM)
- DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: The DLA Packaging Program, for the inspection, treatment, and marking procedures for the procurement of new commercially-treated wood, and for the treatment of used, remanufactured, repaired, and recycled Wood Packing Material (WPM) IAW the International Plant Protection Convention (IPPC)
- FAR Part 52.223-10, Waste Reduction, for preventing or decreasing the amount of waste being generated through waste prevention, recycling, or purchasing recycled and environmentally preferable products
- RCRA, Section 6002, USC Title 42, The Public Health and Welfare, Chapter 82, Solid Waste Disposal, Sub-chapter VI, Federal Responsibilities.

4.5 CONTRACTOR-FURNISHED SUPPORT SERVICES

A. The Contractor shall perform those support services specifically identified as the responsibility of the Contractor in Section C-3.6, Government-Furnished Support Services, and all other support services not furnished by the Government necessary to perform the requirements of this contract.

4.5.1 CUSTODIAL

A. The Contractor shall perform custodial functions for all office spaces to include those occupied by the Government that include but are not limited to trash removal, sweeping, mopping, vacuuming carpets, and dusting. The Contractor shall furnish all cleaning supplies. The Contractor shall clean restrooms and provide restroom supplies that include but are not limited to hand soap, hand towels, and toilet paper. The Contractor shall perform the daily clean up of all warehouse and storage areas, which includes but is not limited to emptying wastebaskets into dumpsters and sweeping warehouse and storage area floors. DDKS does not currently receive Electrostatic Discharge materials (ESD), but it is possible to receive ESD in the course of the performance of the requirements. The Contractor shall provide the special cleaning requirements for Electrostatic Discharge (ESD) areas and shall not use topical anti-static spray, waxes, polishes or similar material on the floor mats or tabletops IAW MIL-HDBK 773, Electrostatic Discharge Protective Packaging.

The Contractor shall sweep dust and dirt from ESD tabletops and floor mats, as often as needed to prevent any accumulation.

4.5.2 FUELS

A. The Contractor shall furnish all gasoline, liquid petroleum gas (LPG), compressed natural gas (CNG), and diesel fuels for the operation of Government-furnished and Contractor-furnished equipment that use these types of fuels and are exclusively associated with the performance of the contract requirements.

4.5.3 GROUNDS MAINTENANCE

A. The Contractor shall perform grounds maintenance that includes but is not limited to maintaining grounds and surface areas removing sand from roads and sidewalks within the parameters of the DDKS. The Contractor shall remove weds in un-surfaced storage areas as needed. The Contractor shall clean doorsteps, landings, walkways, fire hydrants, and facility ramps, dock and dumpster areas or other areas frequented by personnel to prevent hazardous mishaps. The Contractor shall visually inspect daily outside storage fields and perform maintenance as required.

4.5.4 MEDICAL

A. The Contractor shall provide emergency medical services consisting of assistance for illness or injury that occurs to any Contractor personnel on the job. The Contractor shall provide non-emergency first aid services, supplies, and medical services commensurate with the hazards of the workplace.

4.5.5 PEST MANAGEMENT

A. The Contractor shall perform internal and external pest management services for all government-owned property to include mission stock along with the appropriate abatement and control measures as required. The Contractor shall implement control measures against insects, vermin, weeds, fungi, and other animals or plants that are determined to be undesirable. The Contractor shall protect mission stock from pest infestation and report any pest related damages to the KO or designee IAW DoDI 4150.7, DoD Pest Management program.

4.5.6 POLICE AND FIRE PROTECTION

A. The Contractor shall provide fire and emergency services IAW DoDI 6055.6, DoD Fire and Emergency Services Program. The Contractor shall conduct periodic fire drills and ensure personnel are familiar with instructions.

B. The Contractor shall develop a standard Fire Evacuation Plan for all work areas and ensure a current fire evacuation diagram is posted in a prominent place in each work area. In the event of a fire, the Contractor shall ensure all employees have been alerted and the building evacuated. The Contractor shall designate a primary and alternate employee to assist the hearing and physically impaired during emergency evacuations.

C. The Contractor shall train all employees in the proper use of fire extinguishers and shall provide annual refresher training. The Contractor shall check fire extinguishers for serviceability on a monthly basis, and submit unserviceable extinguishers for recharging, maintenance, or repair as needed. The Contractor shall document and provide the results of the monthly check to the KO or designee. Additionally, if recharged fire extinguishers are

placed in a different location, the Contractor shall document and notify the KO or designee of the new location.

4.5.7 REFUSE COLLECTION

A. The Contractor shall provide refuse collection consisting of collecting trash from exterior dumpsters and collection and transportation of trash to a designated collection center. The Contractor shall pay all refuse collection service and dumping fees. The Contractor shall transport refuse from warehouse and storage areas to exterior dumpsters. The Contractor shall comply with local regulations for refuse removal. The Contractor shall empty dumpsters at a regularly scheduled time to prevent overflow and rodent and vermin infestation. The Contractor shall keep the areas around the dumpsters clean and free of debris. The Contractor shall not put into these containers any HAZMAT or HW.

4.5.8 TELEPHONE

A. The Contractor shall furnish land-line telephone services consisting of those land-line telephones and levels of service required to operate government-furnished IT systems. The Contractor shall provide land-based, fiber optic T-1 telephone line(s) to support all site telecommunications services and equipment for accomplishment of the requirements of this contract.

4.5.9 UTILITIES

A. The Contractor shall provide all utility services consisting of heat, water, sewage, and electric current as may be required for the work to be performed under the contract requirements.

4.6 EQUIPMENT MAINTENANCE FOR GOVERNMENT FURNISHED EQUIPMENT (GFE)

A. The Contractor shall submit to the KO or designee a written proposed maintenance program not later than 30 calendar days prior to the end of the phase-in period, which shall specifically address but not be limited to the following:

1. How the Contractor will meet the mandatory use of EMACS to maintain records of equipment maintenance and repair actions.
2. Methods of performing preventative, remedial repair, and corrective maintenance as required on all GFE.
3. Identification of the personnel resources and the roles and responsibilities for performance of equipment maintenance and any internal management controls.
4. Identification of other resources necessary to perform equipment maintenance and how these resources will be integrated into daily operations.
5. Identification of good fleet management practices such as rotating equipment.

B. The Contractor shall not cannibalize GFE in order to repair or maintain other equipment unless authorized in writing by the KO or designee. Prior to making modifications to any GFE, the Contractor shall submit in writing the proposed changes and receive written approval for the modification from the KO or designee.

4.6.1 EQUIPMENT MANAGEMENT AND CONTROL SYSTEM (EMACS)

A. The Contractor shall input work order information such as: 1) the date and time, 2) the equipment is non-operational due to unscheduled maintenance, 3) parts are ordered and received, 4) work is resumed and completed. This information is required to document coordination costs, progress, equipment, material, and closeout of the EWO upon completion of the PM or repair action. This input affects the utilization of each piece of equipment any time the equipment is down waiting for parts or maintenance. The input of the current status of the equipment takes the equipment out of availability status, which EMACS will then calculate the accurate equipment utilization rate.

B. The Contractor shall update EMACS maintenance data after each maintenance action within two working days of equipment release date to include::

1. Document PM history including dates and functions performed and meter reading.
2. Record labor and material costs to repair/maintain each piece of equipment identified by EJON.
3. Document corrective service history, including dates and details of major actions and parts or components repaired or replaced.
4. Complete details of all modifications performed, including approvals, dates, and certification records.
5. Document disposition instructions performed in response to a DLA Form 1311 within two working days.
6. Document start and stop date/time and reason for each time equipment is sitting idle waiting for maintenance/repair for any reason or waiting for parts to complete the repair action.

C. The Contractor shall update EMACS during the last week of each month with each metered GFE unit's utilization (miles or hours).

4.6.2 SCHEDULED REQUIREMENTS/PREVENTATIVE MAINTENANCE FOR GFE

A. The Contractor shall use EMACS to generate PM work orders. The Contractor shall perform PM on all GFE accepted by the Contractor. The Contractor shall schedule and accomplish the PM IAW TE 4.3, MHE Equipment PM Task Codes and TE 4.4, Other Equipment PM Task Codes or IAW the published recommendation of the OEM during the warranty period, and after the warranty period, IAW TE 4.2, 4.3 and 4.4 Equipment PM Tasks. The Contractor may submit propose changes to the PM tasks addressed in TE 4.2, Equipment PM Tasks to the KO or designee. The Government will provide concurrence or non-concurrence with rationale to the proposed changes within 30 days after receipt. Title will not transfer to the Contractor when parts and components of equipment are replaced**.** The Contractor shall expedite all spare parts orders and provide a status update NLT five days after the order was placed to the KO or designee.

B. During the PM, the Contractor shall:

1. Conduct incoming inspections to determine equipment condition and maintenance required. If the Contractor identifies other repair work requirements, the Contractor shall generate a EWO if the repair is under $1,000 (see paragraph C-4.6.3.1, Repairs under $1,000. If the repair is over $1,000, the Contractor shall perform IAW paragraph C-4.6.3.2, Repairs over $1,000.
2. Perform emission inspections and maintenance to conform to state and local standards to monitor and analyze emissions from non-tactical motor vehicles and must use state and local guidelines in conducting such analyses (See DoD 4500.36-R, C12.2.3 for additional guidance).
3. Dispose of used parts and POL in the appropriate hazardous waste, recycle or trash container.
4. Properly dispose of tires.

4.6.3 UNSCHEDULED REQUIREMENTS

A. The Contractor shall provide estimates for EWO work and shall perform all work required under an approved EWO. In addition to repair work, the Contractor shall document equipment modifications and alterations actions and provide the following information to the KO or designee:

- Equipment registration number
- Reason for the modification
- Related descriptions, drawings, and specifications
- Cost estimates
- Alternatives considered

B. The Contractor shall perform the load test or other appropriate proof test only where the adjustment, repair, replacement or alteration/modification was performed on the hydraulic system or components of the lifting device and could result in dropping, uncontrolled shifting, or movement of the load. If holding strength is a function of the parts or components affected by the maintenance work, the Contractor shall perform a load test and certification. The Contractor shall maintain records on completed load testing and certifications and shall make available to the KO or designee for review on request.

Historically, the work has included:

1. Analyzing malfunctions and repairs.
2. Dismantling and reassembling equipment, using hoists and hand tools.
3. Examining parts for damage or excessive wear, using micrometers and gauges.
4. Exercising independent judgment in performing such tasks as making circuit analyses, calculating wave forms, and tracing relationships to signal flow.
5. Operating and inspecting machines or equipment to diagnose defects.
6. Rebuilding and maintaining power equipment, such as forklifts, stock selectors; motor vehicles, pumps, compressors and pneumatic tools.
7. Replacing defective engines and subassemblies, such as transmissions.

8. Replacing O-rings on forklift propane cylinders.
9. Testing overhauled equipment to insure operating efficiency.
10. Using complex test instruments such as high frequency pulse generators, frequency synthesizers, distortion analyzers, and complex computer control equipment.
11. Welding broken parts and structural member.
12. Troubleshooting and repair of electronic systems, such as control cards, motor, steering and logic (PLC) controllers, hydraulic integrated systems, using manuals, hand diagnostic sets, communication wiring diagrams (schematics) and computers with specific software.

4.6.4 REPAIRS UNDER $1,000

A. For repair actions estimated to costs $1,000 or less, the Contractor is authorized to make any repairs when the total to be invoiced to the Government for all repairs of a piece of equipment is $1,000.00 or less. For repairs identified during routine PM, the Contractor shall close the PM work order and generate an EWO for repairs under $1,000. The Contractor shall notify the KO or designee prior to the repair if the total cost of the repair actions exceed the replacement cost of a piece of equipment. For repair actions under this authorization, the Contractor shall invoice for the actual repair cost to include direct, indirect, and general and administrative expenses for all repairs on a piece of equipment unless those costs exceed $1,000.00, then the Contractor shall be limited to invoicing the Government for $1,000.00 using the EWO Report (see C-6.6.1 Monthly Reports, Report Number 002).

4.6.5 REPAIRS OVER $1,000

A. For repair actions estimated to costs over $1,000, the Contractor shall provide an estimate to the KO or designee. The Contractor's estimate shall include the following:

1. EJON and date of repair or scheduled PM EWO in EMACS.
2. Description of each repair or modification identified.
3. Estimate of labor hours and cost for each repair or modification identified.
4. Bill of Material by stock number, nomenclature, quantity, any long lead time requirements, and costs for each repair or modification identified.
5. If multiple repairs and/or modifications, amount of time required to complete all repairs.
6. If multiple repairs and/or modifications, discount in total cost if all work is authorized.

B. The Government will review the Contractor’s estimates and authorize approved work in EMACS. The Government will notify the Contractor, within one working day of receiving the documentation outlined in items A. 1-6 above, on what work has been approved or non-concurred. If during the repair action additional work is identified that exceeds the scope of the approved repair work, the Contractor shall immediately stop work, identify the work and provide an estimate to the KO or designee for approval. If the actual repair cost for all repairs on a piece of equipment exceeds approved estimate(s), the Contractor shall be limited to invoicing the Government for the approved estimated cost.

C. In any instance where the Government non-concurs with the Contractor's estimate, the KO or designee will normally return the EWO to the Contractor with reasons for the non-concurrence. For any estimate the Government non-concurs with, the Contractor may be given the opportunity to re-estimate the EWO. If after reviewing the Government's comments, the Contractor shall develop a new estimate for Government consideration. Discussions between the Government and the Contractor may ensue to clarify any points in question.

D. The Contractor shall list each invoice greater than $1,000 using the EWO Report (see C-6.6.1 Monthly Reports, Report Number 002) and attaching the individual final invoices for each report exceeding $1,000.

4.6.6 ACCEPTANCE AND SUPPORTING DOCUMENTATION

A. The Contractor shall not proceed with any EWO repairs actions without prior authorization from the KO or designee, unless it is authorized under C-4.6.3.1, Repairs Under $1,000 or Less.

B. For completed repair action(s) resulting from EWO entered into EMACS, the Contractor shall input work order information required under C-4.6.1, EMACS.

C. For completed repair action(s) identified by the Contractor during routine PM actions, the Contractor shall input the following information in EMACS under the PM EWO:

1. Description of each repair completed
2. Actual labor hours and cost for each repair identified
3. Bill of material by stock number, nomenclature, quantity, and costs for each part and/or supplies used in the repair

D. The Contractor shall retain all documentation supporting the labor hour and material and supply costs for each repair and provide the Government access when requested. When all repair work on a piece of equipment has been completed, the Contractor shall submit an acceptance document to the KO or designee, within one working day for inspection and acceptance of the work. Each acceptance document shall have a unique identification number and will provide the following information for each repair completed on a piece of equipment:

1. Identify source of the authorization to perform the repair or modification
2. Description of the repair or modification
3. Actual labor hours and cost for each repair or modification identified
4. Bill of Material by stock number, nomenclature, quantity, and costs for each part and/or supplies used in the repair or modification

E. If the work inspected is found to be unsatisfactory or incomplete, the acceptance document will be returned to the Contractor with an unsatisfactory inspection report that outlines the deficiency. Once the Contractor has satisfactorily completed the work, the Contractor shall resubmit the acceptance document for approval to the KO or designee.

4.6.7 SUPPORTING COST DATA AND REVIEW OF EWO COSTS

A. The Contractor shall retain complete, detailed and traceable description of costs for the performance of each EWO repair to include all information related to the estimated costs of the work. The Contractor shall provide access to records necessary to permit an adequate evaluation of the proposed cost within five working days of a request by the KO or designee. Cost refers to all of the Contractor's estimated costs to include direct, indirect, and general and administrative expenses. For all repairs performed, the Contractor shall group records supporting the cost by invoice submitted.

B. For repairs performed under the $1,000.00 or less authorization, the Government reserves the right to audit the cost data for any repair accepted and/or paid by the Government. If the Government determines the cost for a repair to be unsupported or in error, the KO or designee will notify the Contractor of improper cost. In response to the notice, if the Contractor disagrees with the KO or designee's determination, the Contractor shall explain within seven working days, in writing and with supporting documentation, what cost is valid and supportable. The KO or designee will evaluate the contractor's explanation and determine the appropriate action, to include withholding of payment from a subsequent invoice to recover an overpayment. If the Contractor submits unsupported invoices and/or unreasonably priced or unsupported cost estimates the KO may determine that such action by the Contractor as non-performance of the requirements.

4.6.8 CALIBRATION AND CERTIFICATION

A. The Contractor shall perform calibration and certification tests according to the Original Equipment Manufacturer (OEM) specifications and OSHA standards, for equipment that has the function of providing an accurate measurement against a known standard. The Contractor shall maintain records on completed calibration, to include results, and shall make available to the KO or designee for review on request.

4.6.9 EQUIPMENT DISPOSAL

A. The Government will generate a EWO for equipment disposal actions. The Contractor shall perform a technical inspection using DLA Form 1370 and document recommended disposal actions to the KO or designee using DLA Form 1311. Upon notification of an approved equipment disposal action from the KO or designee, the Contractor shall:

1. Perform equipment disposal IAW DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: Support Disposal Process.
2. Remove any usable special equipment (i.e., radios) as well as all Government lettering/markings.
3. Complete DLA Form 1730, Vehicle Technical Inspection.

B. Upon completion of disposal documentation, the Contractor shall:

1. Provide the DD Form 1311 to the KO or designee for disposition approval.
2. Stage equipment for sale as directed by the KO or designee.
3. Load equipment onto conveyances for transportation of equipment.
4. Update EMACS with the disposal actions and date.

4.7 CONTRACTOR-FURNISHED TRAINING

A. The Contractor shall provide the training identified in TE 4.1, Contractor-Furnished Training, and any other training that is not identified as government-furnished but which may be required for Contractor personnel to comply with the contract requirements. The Contractor shall maintain copies of training records, designation letters and certificates on site and make them available for the KO or designee to review upon request. The training records shall include, at a minimum, the name of the employee, the name of the course, the source of the training, a description of the training provided and the date the employee successfully completed the training. See TE 4.1, Contractor-Furnished Training for a complete description of each training requirement.

4.7.1 HAZMAT TRAINING

A. IAW 49 CFR, Transportation, Volume II, Part 172.704, Training Requirements, a new HAZMAT employee who changes job functions, may perform those functions prior to the completion of Contractor or Government-Furnished training and receipt of certification provided that:

1. The employee shall perform those functions under the direct supervision of a properly trained and certified HAZMAT employee; and
2. The employee shall complete the training within 90 calendar days after employment or a change in job function.

B. At a minimum, the Contractor shall provide the HAZMAT/HW training described in TE 4.1, Contractor-Furnished Training. A HAZMAT Training Requirement Checklist is provided in the Technical Library.

C. Upon successful completion of the Hazardous Materials (HAZMAT) Preparer Certification training, the Contractor shall submit a request along with a copy of the training certificate to the KO or designee for an appointment order (letter). Upon receipt from the KO or designee, the Contractor shall keep the appointment order on file. The Contractor shall be responsible for any fines, penalties, and costs associated with improper classification, description, packaging, marking, or labeling of HAZMAT certified by Contractor personnel.

D. The Contractor shall maintain employee training and certification records for as long as the individual works for the Contractor and for 90 calendar days thereafter.

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SECTION C-5 SPECIFIC TASKS

The following is an outline of Section C-5:

5.1 Distribution Services and Performance Requirements
5.2 Receiving
5.3 Storage
5.4 Physical Inventory Control
5.5 Issue
5.6 Packaging
5.7 Special Functions
5.8 Military Training
5.9 Special Projects
5.10 Conferences

5.1 DISTRIBUTION SERVICES AND PERFORMANCE REQUIREMENTS

A. The Contractor shall assume the responsibility for meeting APLs as specified in TE 5.1, upon full performance. Where the APLs specified in TE 5.1 conflict with the performance requirements outlined in the directives listed in C-6.4, Publications/Directives, the APLs contained in TE 5.1 shall take precedence. The Contractor shall provide a monthly performance report using the report format provided as Report Number 003 in C-6.6.1, Monthly Reports.

5.1.1 PROPERTY ACCOUNTABILITY

A. The Contractor shall maintain the custody and care of the Government's mission stock and all government furnished property set forth in the TEs. At all times during the performance of the contract requirements, title to the mission stock and all other government-furnished property shall remain vested with the Government. In exercising care and custody, the Contractor shall safeguard and accomplish quantitative and physical control over all mission stock and government furnished property.

5.1.1.1 LIABILITY FOR MISSION STOCK

A. The Contractor shall notify the KO or designee within one (1) hour when it discovers the loss, damage or destruction of mission stock. The Contractor shall initiate an unscheduled inventory immediately (see paragraph C-5.4.1, General Requirements for Physical Inventory Control).

B. After causative research (see paragraph C-5.4.1.2, Research of Potential or Actual Physical Inventory Adjustments), the Contractor shall initiate a Financial Liability Investigation of Property Loss (FLIPL) by completing blocks 1 through 11 of the DD Form 200 IAW DLAD 4140.69, Inventory Adjustment Research and DDCI 7500.1, DDC Financial Liability Investigation of Property Loss. This shall occur as directed by the KO or designee or when an adjustment remains and meets the criteria below IAW DoD 7000.14-R, DoD Financial Management Regulations (FMRs), Volume 11, Special Accounts Funds and Programs, Chapter 7, Financial Liability for Government Property Lost, Damaged or Destroyed:

1. The loss is a sensitive or classified item regardless of the dollar value
2. The loss is a pilferable item and the extended value of the adjustment exceeds $2,500

3. The loss is suspected to have been caused by theft, negligence, or abuse, regardless of the dollar value
4. The loss is an uncontrolled item with a dollar value of $50,000 or higher.
5. There are repetitive losses and the cumulative dollar value of the inventory losses equal or exceed the projected cost of the FLIPL
6. When recommended by the KO or designee (e.g., large dollar losses, critical application)

C. The Contractor shall attach all causative research documentation to the DD Form 200 and forward to the KO or designee for FLIPL investigations resulting from Inventory Adjustment Vouchers (IAVs) and special research requests (no IAV).

5.1.1.2 LIABILITY FOR GOVERNMENT PROPERTY

A. The Contractor shall be held financially liable for loss, damage, or destruction of government property caused by negligence, willful misconduct or unauthorized use. The KO will make the pecuniary liability determination when a Contractor's negligence results in loss, damage, or destruction of Government property.

B. The Contractor shall:

1. Notify the KO or designee immediately when it discovers the gain, loss, damage or destruction of government equipment/property
2. Conduct an initial search and/or informal investigation into the loss or damage of equipment/property and forward all research data to the KO or designee
3. Cooperate in any subsequent investigations

C. The Contractor shall initiate, complete and provide a DD Form 200 by completing blocks 1 through 11 within seven calendar days from identification of the suspected loss, damage or destruction of equipment/property is revealed and meets the criteria below to the KO or designee:

1. The item is on DPAS, or;
2. The item should have been on the Accountable Property Records based on having a purchase value equal to or greater than $300 (except furniture) and all pilferable items; or,
3. The loss is suspected to have been caused by theft, negligence, or abuse regardless of the dollar value.

5.1.2 INDEMNIFICATION AND LIMITATION OF LIABILITY

A. The Contractor shall indemnify the Government and hold it harmless against claims for injury to persons or damage to property of the Contractor or others arising from the Contractor's possession or from its activities, or from its use, care and custody of the mission stock and government equipment and supplies relating to the performance of this contract.

B. When the KO determines that any loss, damage or destruction of mission stock or other government property is caused by the Contractor's negligence, willful misconduct or unauthorized use, the KO may off-set payments under the contract by the determined value

of the loss, damage or destruction. The Contractor's liability per occurrence shall be limited to $50,000 with a total limit of liability of $1,000,000 per year. This limit of liability does not apply to the Government's right to indemnification.

5.1.3 INFORMATION TECHNOLOGY (IT) – DATA SYSTEMS

A. The Contractor shall prepare and submit a DD Form 2875, Systems Authorization Access Request, for government-furnished data systems prior to access. Additional DD Forms 2875 may be required dependent upon the individual security requirements of each system. The Contractor shall initiate the DD Form 2875 within 48 hours after receipt of the waiver from the Government.

B. The Contractor shall report the impact of non-availability of data systems. The Contractor shall use the thresholds identified in TE 3.7, IT Troubleshooting Guidelines, to classify any data system problems. The Contractor shall prepare and submit an Incident Report (IR) to the KO or designee for all data system problems IAW TE 3.7. The Contractor shall include a technical explanation in the IR as well as a statement describing the impact of the downtime on the Contractor's operations.

C. The following paragraphs identify specific Contractor requirements for the use of DSS, DSS-Management Information System (MIS), and Query Management Facility (QMF):

5.1.3.1 DISTRIBUTION STANDARD SYSTEM (DSS)

A. The Contractor shall use DSS in the performance of warehouse and distribution operations and shall complete all required transactions in DSS in the performance of the requirements in Section C-5, Specific Tasks. DSS is written in the English Language only. The Contractor shall maintain user-controlled elements of DSS in a manner that protects the integrity of the data IAW the DSS Manual and the Computer Associate (CA)-Dispatch User's Manual.

B. The Contractor shall perform maintenance on DSS files that impact day-to-day operations and/or performance of the Depot in the various applications of DSS. The Contractor shall maintain the DSS maintenance programs contained in TE 5.3, Contractor DSS Load and Maintain Programs. This list may change during the performance periods based on site need, policy changes, and system upgrades and/or changes. The Contractor shall implement all upgrades/system changes to DSS and shall maintain any additional maintenance programs as directed by the KO or designee.

C. Due to the integral nature of DSS in Depot operations, it is expected that periodic unscheduled downtime and slow response time may cause work disruption in performing the requirements of this contract. The Contractor shall take prudent steps to minimize any lost productivity associated with DSS downtime.

D. DSS will also undergo periodic scheduled downtime for maintenance. Due to the nightly recycle Customer Information Control System (CICS) processing of DSS, the Contractor shall be unable to access DSS from 1600-1605 Eastern Standard Time (0000-0005 Kuwait time) Monday through Friday at which time the system downloads the workload for the day. The system is subject to one hour downtime for full volume backup/upgrades/maintenance on Saturday 1600-1700 Eastern Standard Time (0000-0100 Kuwait time). Additionally, every third Sunday, the system is unavailable for use at the discretion of the Defense Information Systems Agency (DISA) for a period up to eight hours with a mandate of one

hour for Initial Program Load maintenance to be performed. Advanced notice with downtime required over three hours is provided two weeks prior to scheduled maintenance or semi-annual DSS upgrades. The Contractor shall furnish a DSS POC to serve as the focal point for the Government in receiving communication and responding to information pertaining to DSS.

E. In the event DSS is down, the Contractor shall use data from the web-based DSS Quantity by Detail/Quantity by Owner (QBD/QBO) Inquiry System on the DDC Intranet at https://ddcnet.ddc.dla.mil as backup documentation for processing Special Requests. This system is provided and established by the Government for contingency efforts and contains Quantity by Location (QBL) detail and owner/IM assets information extracted from DSS. The Contractor shall also request the KO or designee to electronically transfer the updated data to the Depot server on a weekly basis and shall maintain additional backup files. The Contractor shall input any documents processed off-line into DSS as the system becomes available.

F. In the event the base closes due to inclement weather, the normal DSS batch cycle schedule will remain in place unless the Contractor submits a specific request through the KO or designee, to the J6N Technical Support Desk, with a courtesy copy/phone call to the DDC Command Control Center (CCC) and the J6-N Help Desk, to change or cancel any pre-scheduled MRO cycle(s), wrap-up, Book-to-Book, or end-of-day times.

5.1.3.2 DISTRIBUTION STANDARD SYSTEM-MANAGEMENT INFORMATION SYSTEM (DSS-MIS)

A. The Contractor shall perform the following functions for DSS-MIS IAW the DSS-MIS Procedures Guidance:

1. Monitor DSS-MIS data transmission.
2. Review and correct DSS-MIS errors on a daily basis.
3. View Location Table information.
4. View Work Center information.
5. View Audit Request information.
6. Identify, collect and submit manual counts.
7. View DSS-MIS Glossary Statistics information.

B. The Contractor shall be furnished appropriate access for Automated Work Counts (AWC) and to daily flat files (available in CA-Dispatch). The Contractor may use the flat files, which reflect the transaction images passed to DSS-MIS, to validate the workload data reflected in the Glossary Statistics.

C. The Contractor may submit an audit request when any potential discrepancies in workload data are suspected or discovered. Audit results provide a means for the Contractor to validate/confirm those discrepancies.

D. The Contractor shall contact the KO or designee for the following:

1. Questions or concerns regarding data transmissions.
2. Assistance regarding errors when the Contractor encounters problems performing the necessary research or when a systems error/problem is suspected.
3. Additions/Changes/Deletions or questions concerning the Location Table.
4. Additions/Changes/Deletions or questions concerning Work Centers.
5. Requests for audits.
6. Input of manual counts.
7. Workload discrepancies in the Glossary Statistics information.

E. The Contractor shall research all DSS-MIS errors that are not related to Work Center/Location Tables and complete the appropriate corrective action(s). The Contractor shall exercise extreme caution in deleting errors and delete only those, which after thorough research, have been determined to be invalid workload. The Contractor shall create and retain backup documentation for any changes made to DSS-MIS transactions for the purpose of correcting errors. The Contractor will not receive a workload count for receipts and issues that are rejected in DSS-MIS until those rejections have been corrected.

5.1.3.3 QUERY MANAGEMENT FACILITY (QMF)

A. The Contractor shall be initially authorized five QMF Conventional User accesses; however, if the Contractor is able to justify additional requirements for Conventional User accesses to the KO or designee, no more than a total of ten Conventional User accesses will be authorized. The Contractor may use this access to edit and execute existing queries and reports and create new queries and reports. This access will also provide “Read Only” capability for databases; however, it will not allow any insertion, modification or deletion of any database records. The Contractor shall write new queries as requested or directed by the KO or designee. The Contractor shall have a trained, competent, proficient QMF query writer on staff.

5.1.4 QUALITY CONTROL/CUSTOMER SATISFACTION PLAN (QC/CSP)

A. DDC/DLA is committed to a highly interactive relationship between quality control by the Contractor and quality assurance by the government recipient of services. This new relationship shall be achieved through a Prevention Based Quality System dedicated to ensuring the best possible products and services to the end user of DDC services. The Contractor shall provide a QC/CSP compliant with FAR 52.246-5(b), “Inspection of Services-Cost Reimbursement, as specified in Section L. The Contractor’s quality system shall demonstrate its prevention-based outlook by meeting the objectives throughout all areas of performance (e.g., all functional areas, all APL and non-APL requirements).

B. The Contractor shall develop a detailed QC/CSP which specifically addresses methods for meeting performance standards, customer requirements, and complying with applicable regulations. The purpose of the plan is to provide the quality control and customer satisfaction methodology, processes, techniques, and tools that will result in meeting or exceeding the performance requirements for quality and timeliness. The Contractor shall delineate in the QC/CSP a quality control program that is prevention based and an approach to customer satisfaction that is proactive. The Contractor shall at a minimum address the following items in their plan:

1. Quality Control:
   (a) The Contractor's quality control system shall outline the tasks performed by the Contractor to sustain or improve quality of work and ensure work meets contract requirements. The Contractor shall include in the plan:
   - Details of surveillance methods to be used.
   - Frequency of QC inspections.
   - Lot and sample size determinations.
   - Documentation requirements.
   - How nonconforming supplies and services will be corrected.
   - Preventative action plans to reduce future nonconforming supplies and services.
   - How QC results will be provided to the Government.
   - Identify procedures for developing and executing a surveillance schedule to ensure the most appropriate frequencies (e.g., monthly, weekly, daily inspections) are used.
   - A sample of all documents that will be used for quality control actions. This includes surveillance methods, sampling plans (defining the lot and source of lot counts, the Acceptable Quality Limit (AQL), the sample size, the criteria used to determine the acceptability of the lot, and the maximum number of defective items that will allow the lot to be accepted using ANSI/ASQ Z1.4.-2003 procedures and tables), surveillance checklists, observation reports, corrective and preventative action reports, analytical reports, etc.

   An example of the required information is as follows:

Inspection Activity & Requirement	Significance Level of Nonconformance	Freq-uency	Inspection Method	Lot Size	Sample Size/Accept-Reject Number	Process	Source of Info
RCN: annotated on material – 100%	Major	Daily	Random sample	Monthly average based on the preceding 12 months of total receipts	Normal sampling plan based on ANSI/ASQ Z1.9-2003	Particular time varies by day using random selector for time	DSS batch report

Inspection Activity & Requirement	Significance Level of Nonconformance	Freq-uency	Inspection Method	Lot Size	Sample Size/Accept-Reject Number	Process	Source of Info
New Procurement and Retail Receipts: tailgate/turn-in to stow and post to accountable record in one day or less (average)	Major	Daily	Random sample based on two different lot sizes, one for New Procurement and one for Retail Receipts received by a particular time	Monthly average based on the preceding 12 months of total new procurement receipts and a separate lot for retail receipts	Normal sampling plan based on ANSI/ASQ Z1.9-2003	Particular time varies by day using random selector for time	DSS
Forklift Maintenance • Monitor daily operator check sheet, e.g., filled out daily? • Observe operator performing pre-start checks	Minor	Weekly	Random sample	GFE TE or equipment listed in EMACs	Normal sampling plan based on ANSI/ASQ Z1.9-2003	Selecting vehicle using list of equipment by EJON order	TE or EMACS
Facility Maintenance /Security: • Observe security and work area lighting, e.g., dark areas, bulbs burnt out?	Major	Weekly	Random Sample of facilities then Direct Visual observation	All Facilities	Normal sampling plan based on ANSI/ASQ Z1.9-2003	Select facility to walk through using numerically sequence of bldg # and randomly selecting bldg(s) for the week	TE 3.1, GFF

2. Customer Satisfaction.
   (a) System for communicating with customers and obtaining feedback.
   (b) System for tracking the receipt, progress, and resolution of customer complaints.
   (c) Methods for identifying customer needs and expectations and implementing them throughout the workforce.
   (d) Methods for measuring customer satisfaction.
   (e) Establishment of a customer satisfaction reporting system.
   (f) Samples of all documents that will be used for quality control and customer satisfaction actions. This includes surveillance methods, sampling plans (surveillance frequency, defining the lot and source of lot counts, the AQL, the sample size, the criteria used to determine the acceptability of the lot, and the maximum number of defective items that will allow the lot to be accepted using ANSI/ASQ Z1.4-2003 procedures and tables), surveillance checklists, observation reports, corrective and preventative action reports, analytical reports, etc.
   (g) Methods of direct and indirect, formal and informal communications with the Government regarding customer satisfaction.

C. The QC/CSP shall be developed to: (1) encourage Contractor innovation and flexibility to achieve the benefits of continuous improvement; (2) build and maintain cooperative relationships between the Contractor and KO or designee/DDC/DLA; and (3) specify the Contractor's responsibility for management and quality control actions to meet the terms of the contract. Within 24 hours of completion, the Contractor shall provide to the KO or designee all reports as a result of the Contractor's quality control efforts as well as any summary information used to track quality control and customer satisfaction, including any charts/graphs indicating trends.

D. The QC/CSP of the successful offeror will be incorporated into and become part of this contract after appropriate revisions are incorporated as required by the KO or designee. Changes made after KO or designee approval shall be submitted in writing to the KO or designee for review and approval. The Contractor shall submit a final site specific QC/CSP to the KO or designee not later than 45 calendar days prior to the end of transition. The Contractor's QC/CSP shall be maintained throughout the life of the contract and shall include the Contractor's procedures to routinely evaluate the effectiveness of the plan to ensure the Contractor is meeting the performance standards and requirements of the contract.

E. DDC/DLA will implement a Quality Assurance Surveillance Plan (QASP) to ensure acceptable performance is achieved. The KO or designee will tailor the QASP based on the Contractor's QC/CSP. The QASP documents QC/CSP effectiveness and provides a systematic method to evaluate the services the Contractor is required to furnish.

5.1.5 CUSTOMER SERVICE SUPPORT

A. The Contractor shall provide customer service support for all functional areas covered in this contract, which includes providing assistance to customers receiving logistical support/service. The Contractor shall establish customer support procedures that includes but is not limited to customer service hours, location and directions to customer service

office, Contractor specific instructions to customers, during phase-in and provide these procedures in writing to the KO or designee 30 calendar days prior to assuming operations. Upon receipt of KO or designee approval, the Contractor shall make the procedures available to all customers in writing.

5.1.5.1 ON-CALL RESPONSE ROSTER

A. Prior to the conclusion of the phase-in period, the Contractor shall create a roster of personnel to be on call to provide customer support, which may include but is not limited to processing emergency requisitions. The names/numbers on the roster shall be listed in the order the personnel will be called (i.e., the first name/number will be called first, the second will be called if the first does not answer, etc). The Contractor shall provide the roster to the KO or designee and shall maintain the callback roster by providing updates as personnel change throughout the performance periods.

B. The on-call personnel shall be on site ready to process customer's request within two hours of receiving the call to provide customer support.

5.1.5.2 CUSTOMER ASSISTANCE

A. The Contractor shall provide a customer support operations (24/7) help desk. The Contractor shall respond to customer service requirements outside normal business hours IAW C-5.1.5.1, On-Call Response Roster and C-5.1.5.3, ESOC/Emergency Requisitions. When interfacing with customers, the Contractor shall coordinate as appropriate with other commands/organizations in the supply chain to resolve supply distribution and readiness problems.

B. The Contractor shall:

1. Provide labor hours and material cost estimates on request
2. Respond to customer inquiries as follows:
    a. Expedited requests for information, inspections and shipping status within 24 hours
    b. Routine requests for information and inspections within two working days

C. If the requests cannot be answered within these timeframes, the Contractor shall send to the KO or designee a reason the timeframe cannot be met and a request for additional time.

D. The Contractor shall:

1. Provide status reports for material shipments
2. Provide scheduled escorted warehouse visits, upon receipt of an approved request from the KO or designee, for the customer to perform a limited technical inspection to evaluate/resolve quality, packaging, and technical problems beyond the DLA's capabilities (NOTE: Escorted visits are considered special inspections (see paragraph C-5.3.1.1.4., Special Inspections (Type 5 Discrepancy).
3. Provide space for the inspection of assets or other required action
4. Remove assets from location and staging for inspection or other required action
5. Repack and restow assets

E. In order to support all customers, when requested by the KO or designee, the Contractor shall also provide the following customer support services:

1. Participate in or provide tours of applicable operations, which may include giving a brief summary of the operations
2. Participate in conferences, meetings or briefings held in conjunction with the visit/tour
3. Provide input regarding status of ongoing work or Contractor capabilities to accomplish new work

5.1.5.3 RESERVED

5.1.5.4 EMERGENCY SUPPLY OPERATIONS CENTER (ESOC)/EMERGENCY REQUISITIONS

A. When directed by the KO or designee, the Contractor shall operate an ESOC during periods other than normal duty hours in order to fill and ship or deliver DSS emergency requisitions (MROs) received via facsimile, email, or a DSS MRO queue monitoring system within the appropriate APLs. Contractor personnel operating the ESOC shall be fluent in reading, speaking, and writing English.

B. The Contractor shall verify emergency requisitions are owner/IM authorized prior to releasing the material and process emergency requisitions using the DSS exception data or supplemental data printed on the document.

C. The Contractor shall respond to the Customer Interaction Center (CIC) or HQ DDC Staff for emergency requisition processing during periods other than normal duty hours (see paragraph C-5.1.5.2, Customer Assistance). The Contractor shall provide resources to resolve mission deficiencies related to emergency requisitions support with two hours of notification outside of the Contractor's normal business hours. The Contractor shall notify the CIC agent immediately if an MRO sent by them creates a discrepancy. The Contractor shall also respond to the DLA Contact Center or CCC staff during duty hours, as required, to provide expedited services or perform research of MROs.

D. The Contractor shall maintain a log of ESOC activities by shift, including but not limited to the time, date, sequence, and detail of events. At the end of each shift, the Contractor shall email the log to the KO or designee. The Contractor shall retain a copy of each log for one year and provide copies to the KO or designee upon request.

5.1.6 STOCK READINESS

A. Stock Readiness involves the tasks needed to ensure that the proper condition of material upon receipt and in storage is known and reported, and the material is provided with adequate packaging protection to prevent any degradation to lower CCs.

B. The Contractor shall perform all tasks necessary to comply with the requirements of the DLAI 4145.4, Stock Readiness, and the SWARM Stock Readiness Training Manual including but not limited to:

1. Document and record the condition of all material received and maintained in storage at the Depot using DSS.

2. Document and record packaging discrepancies for material received and maintained in storage at the Depot using DSS generated SF 364s, DD Form 1225s and Contractor-developed Excel spreadsheets.

3. Perform all packaging actions at the time of receipt on discrepant packaging as specified in paragraph C-5.2.1.4.1, Product Receipt Evaluation.

4. Perform all packaging actions at the time of receipt for on-base maintenance returns.

5. Provide minimal protection to maintenance return material to prevent any deterioration to a lower CC when maintenance returns are stowed in a temporary storage location (e.g., packaging area) at receipt awaiting completion of packaging.

6. Provide minimal protection to customer return material that has discrepant packaging identified at time of receipt and does not have a Pre-positioned Material Receipt Document (PMRD) to prevent any deterioration to a lower CC prior to placing the material in storage.

7. Perform all packaging actions required by the disposition instructions of the owner/IM resulting from the Contractor's submission of a SF 364 or DD Form 1225 (see paragraph C-5.2.1.4.1, SDRs (Type 8 or 9 Discrepancies).

8. Perform COSIS actions and record the condition of material and its packaging (DD Form 1225).

9. Perform all packaging actions needed to issue material IAW applicable packaging standards. (See Section C-5.6, Packaging.)

10. Operate an active container reclamation program to obtain the maximum availability and reuse of SPI containers (See paragraph C-5.6.3, Packaging Actions) and other Long Life Reusable Containers (LLRCs) and packaging materials used to package repairable and recoverable items. (See paragraph C-5.6.4.1, Container Reclamation Support.)

C. The receiving, storage, and issuing requirements associated with Stock Readiness are delineated in Sections C-5.2, Receiving; C-5.3, Storage; and C-5.5, Issue.

5.1.7 CONTRACT FULL PERFORMANCE

A. TE 5.2, Projected Workload provides the workload estimates for the five performance periods of the contract. It is anticipated that the projected workload for the first performance period will be performed by the Contractor. However, in the event the contract is awarded to other than the current incumbent, RDOs lines and quantity per line are expected to be abnormally large during the first six months as stock is redistributed from the current contract location to the new location to be receipted by the Contractor in the new location IAW the receiving requirements in Section C-5.2 Receiving. TEs 1.6, 1.7, and 1.8 provides lists of the approximately 71,850 NSNs to include weight and cube data and estimated quantities currently stored at DDKS. The volume of the quantities per line drives the

contract personnel requirement in paragraph C-1.9.1.1, Hiring and Training Actions. The entire proposed Contractor workforce shall be on board with appropriate personnel clearances and training to begin full performance in month 10 after contract award. It is anticipated that the Contractor will be performing the full range of C-5 requirements at the start of full performance.

B. Once the Contractor begins receipting material, the Contractor shall perform the stow actions, storage activities, packaging requirements, issue requirements and all other distribution requirements IAW Section C (Attachment J.1) of the contract.

5.2 RECEIVING

A. DDKS receives material for storage and distribution that is transported by a variety of commercial and government carriers. The Contractor shall perform the receipt of material IAW the APLs in TE 5.1. Characteristics of material received are included in paragraph C-2.1.1, Characteristics of Material Processed. The receiving process begins with the inbound traffic management and scheduling for the unloading process. The receiving process ends when the material is physically stowed (see paragraph C-5.2.3, Stow) or processed as a transshipment.

5.2.1 GENERAL REQUIREMENTS

A. The Contractor shall accomplish receipt processing IAW the following:

1. DDCM 6055.20, Radiological Health Program
2. DLAD 4151.16, Joint Depot Maintenance Program
3. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization
4. DLAI 4140.55, Reporting of Supply Discrepancies
5. DLAI 4145.11, Storage and Handling of Hazardous Materials, Chapter 3, Receipt of Hazardous Materials
6. DLAI 4145.4, Stock Readiness
7. DLAM 4140.2, Supply Operations Manual, Volume III, Defense Depot Transportation and Supply Procedures, Chapter 3, Receipt Transactions
8. DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply
9. DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Information Security Program
10. DoD 4000.25-2-M, MILSTRAP, Chapter 4, Receipt and Due-In and Chapter 6, Material Receipt Acknowledgment
11. DoD 4140.01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM)
12. DoD 4140.27-M, Shelf-Life Management Manual, Chapter 4, Receiving, Storage, Surveillance, and Extensions
13. DoD 4500.9-R, Defense Transportation Regulation (DTR), Part II, Cargo Movement, Chapter 210, Transportation Discrepancy Report (TDR), and Appendix I, Transportation Discrepancy Reporting (TDR) Instructions

14. DSS generated exclusion data, which entails responding to inspection requirements in paragraph C-5.3.1.1.3, Special Inspections (Type 5 Discrepancy)
15. SWARM Receiving Manual
16. MIL-STD 129, Military Marking for Shipment and Storage
17. MIL-STD 2073-1, Standard Practice for Military Packaging

B. The Contractor shall receive material IAW the requirements in the following paragraphs:

5.2.1.1 INBOUND TRAFFIC MANAGEMENT

A. The Contractor shall establish and operate an inbound truck control system and establish procedures and minimum standards for the physical protection of DLA personnel, installations, operations, and assets. The Contractor shall control all movement of inbound commercial carriers entering the DDKS areas to deliver material by annotating the DLA Form 1617. The Contractor shall have on file with the KO or designee, signed DD Form 577s for authorized personnel that apply seals, remove seals, or release carriers. Truck drivers will be subject to Security K-9 check and wanding prior to being granted permission to enter the DDKS facility.

B. The Contractor shall accomplish inbound truck control to include, but not limited to:

1. Establishing the Receipt Control Number (RCN), which is the tailgate date and time of arrival of the conveyance. The Contractor shall use this RCN for input in to the DSS receipt processing screen
2. Issuing and controlling intra-depot seals
3. Directing and, where necessary, escorting carriers to the appropriate receiving area
4. Releasing commercial carriers within the allotted free time after arrival IAW Surface Deployment and Distribution Command (SDDC) publications

5.2.1.2 OFFLOAD AND TALLY

A. The Contractor shall accomplish the general unloading sequence, which includes but is not limited to:

1. Spotting the conveyance at the proper off-load location.

2. Applying the correct RCN to each piece of material off-loaded from the conveyance.

3. Inspecting the exterior of the conveyance for suspected leakage or spills, visible safety deficiencies, and visible damages caused while in transit. If a leakage or spill is detected, the Contractor shall not open the conveyance doors or off-load material until cleared by the KO or designee. The KO or designee will report the spill through environmental channels.

4. Ensuring that truck/trailer wheels are chocked or the conveyance secured by other mechanical means (such as an automated conveyance securing device) prior to unloading. The Contractor shall place jack stands under the trailer when not attached to the tractor.

5. Checking documentation to verify if door seals are required and, if required, checking door seals on trailers/containers for condition and serial number, if the seal is broken or missing, the Contractor shall annotate the broken/missing seal on the accompanying documentation and shall notify the KO or designee prior to unloading or re-spotting.

6. Opening conveyance doors and positioning a portable dock plate or hydraulic dock ramp.

7. Inspecting the interior of the conveyance for suspected leakage or spills, visible safety deficiencies, and visible damages caused to the material while in transit. When HAZMAT with visible leaks and spills is discovered, the Contractor shall close the conveyance doors, notify the KO or designee and shall not re-enter the conveyance until cleared by the KO or designee.

8. Off-loading material and removing blocking, bracing, and other materials during the unload process. When material is received using the Government Small Parcel Contract, some of the small parcel carriers are responsible for off-loading material from the carrier vehicle. The Contractor shall off-load other small parcel carriers according to the small parcel service contract.

9. Checking items on the conveyance against the freight or carrier manifest to verify that the skid count, piece count and identity of material on the conveyance matches the bill of lading or manifest. The Contractor shall check paperwork for each inbound shipment to verify that the material is destined to DDKS and has the correct and valid documentation. For material identified at off-load with a valid address other than DDKS, the Contractor shall reject and return the material to the carrier. (See paragraph C-5.2.2.12, Misdirected Material.) The Contractor shall initial and date beside each item of cargo being received on a manifest to ensure piece accuracy. The overall manifest shall include Contractor's printed name, signature and date/time of receipt. The Contractor shall document discrepancies and immediately report to the KO or designee.
10. If a carrier related discrepancy is discovered, the Contractor shall document on the bill of lading or carrier manifest all overages, shortages, or the date, time and type of any damage suspected to have been caused by the carrier and obtain the driver's signature on the shipping document before releasing the carrier.

11. For all carrier related discrepancies, to include material received in error, the Contractor shall prepare and submit a Transportation Discrepancy Report (TDR) SF 361 (Type 3 Discrepancy) to the owner/IM IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 210, TDR; and Appendix I, TDR Instructions.

B. If reporting damaged material, the Contractor shall support the submission of the SF 361 (Type 3 Discrepancy) by attaching documented facts and firm evidence such as photos and affidavits from witnesses, which establish carrier liability and the actual amount of the Government's loss. The Contractor shall segregate and stow the material in CC L pending receipt of disposition instructions. Upon receipt of disposition instructions, the Contractor shall perform IAW disposition instructions.

5.2.1.3 RECEIPT PROCESS DOCUMENTATION

A. The Contractor shall input receipt data into DSS by checking, recording and extracting information from receipt documentation. The Contractor shall post receipts of material to the correct records in DSS and reverse and re-post a receipt if the receipt is originally posted incorrectly. The Contractor shall correct all receiving violations/rejects of incoming data and initiate action to clear within one working day. The DSS violations are usually due to errors on the PMRD such as the due date in the wrong format or a blank CC field. Reasons for the violations are defined in the DSS violation code screen. The Contractor shall follow the procedures in the SWARM Receiving Manual, which contains the specific instructions for clearing, deleting, correcting, and releasing violations. The Contractor shall clear all DSS "rejects" within one working day.

B. The Contractor shall perform additional documentation requirements to maintain accountability of non-accountable material. The Contractor shall provide copies of receipt documentation for non-accountable material to representatives of government organizations upon request.

5.2.1.4 PRODUCT RECEIPT EVALUATION

A. The Contractor shall perform visual and physical examination, identification and receipt of a wide variety of serviceable and unserviceable material and parts to include NP, customer returns, and RDOs. Proper identification and classification of material may require in-depth research.

B. The Contractor shall reconcile receipts against accompanying documentation and shall accomplish a Kind, Count, and Condition (KCC) visual inspection IAW paragraph C-5.2.1.4.2 Customer Returns, C-5.2.1.4.3 New Procurement, and C-5.2.1.4.4 Redistribution Orders.

C. IAW DoD 4140.01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM) and DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: The DLA Packaging Program, the Contractor shall visually inspect each receipt (excluding RDOs) for the International Standards for Phytosanitary Measures (ISPM) 15 certification mark (International Plant Protection Convention (IPPC) Stamp). If markings are not present, the Contractor shall inspect the receipt under DoD guidelines and if corrective action is required prepare and submit a SF 364 (Type 8 or 9 Discrepancy) to the owner/IM using the Shipping and Discrepancy Code P215, (non-conformance to specified requirements for WPM). This does not apply to manufactured wood products (e.g., plywood, particle board, oriented strand board (OSB), finished woods used in furniture, etc.).

D. The Contractor shall prepare a discrepancy report for any shipping, packaging, or transportation discrepancies, which may include incomplete, illegible, misplaced markings or misidentified items IAW paragraph C-5.2.1.4.1, SDRs. Upon completion of the Product Receipt Evaluation, the Contractor shall determine the owner/IM, update the weight and measurement of one unit piece if the weight and measurement data is missing from DSS or is suspect, (see paragraph C-5.3.1.3, Top 100 Weight and Cube NSN Program), process the receipt in DSS, apply a putaway label and send the material to storage.

5.2.1.4.1 SUPPLY DISCREPANCY REPORTS (SDRS) SF 364S (TYPE 8 OR 9 DISCREPANCIES)

A. The Contractor shall prepare SF 364 (SDRs) IAW DLAI 4140.55, Reporting of Supply Discrepancies. The Contractor shall report all SF 364s and associated responses on the SF

364 by electronic means, to include the Automated Discrepancy Reporting System (ADRS) application of DSS and Electronic Data Interchange (EDI), customer service help lines, or e-mail. The Contractor shall maximize the use of electronic reporting/response with the goal of paperless processing of supply discrepancies. (Refer to DoD 4000.25-M, Defense Logistics Management System (DLMS), Volume 2, Supply Standards and Procedures, for use of EDI Transaction Set Implementation Convention 842D, Nonconformance Report (Material Discrepancies/Deficiencies).

B. The Contractor shall prepare and submit to the owner/IM a SF 364 for all shipping and packaging discrepancies attributable to the shipper (including contractors/manufacturers or vendors). The Contractor shall include with the SF 364 sufficient documented facts and POS/POD discrepancies such as photos and affidavits from witnesses. When multiple discrepancies, shipping (item) and/or packaging, are noted on the same receipt, the Contractor shall include all discrepancies in the same CC on the same report. The Contractor shall indicate on the SF 364 what action is requested. Typical requested actions are listed by code on the non-electronic version of the SF 364 and an expanded list is provided in DLAI 4140.55, Reporting of Supply Discrepancies, Enclosure 5, Typical Initiator Actions Requested Listed by SDR Action Code.

C. A shipping discrepancy includes, but is not limited to incorrect mode of shipment; ship-to address errors; any variation in quantity or condition of material received from that shown on the authorized shipping documents or purchase order. This includes overages, shortages, concealed damage, incorrect and misdirected material, receipt of cancelled requirements, improper or inadequate technical or supply documentation, or other discrepancies not the result of a transportation error or product quality deficiency.

D. A packaging discrepancy, outlined in DLAI 4140.55, includes any unsatisfactory condition due to improper or inadequate packaging (including preservation, packing, marking non-compliant WPM or unitization) and which causes the item, shipment, or package to be vulnerable to loss, delay, or damage, or unnecessary expense to the U.S. Government, as in excessive packaging. (See DLAI 4140.55, Reporting of Supply Discrepancies, paragraph E. Procedures 2, U.S. Government Reporting Criteria and enclosures.)

E. Disposition instructions for SF 364s may arrive by mail, e-mail, facsimile or through DSS and direct the Contractor to perform such actions as, but not limited to, properly identifying material based on additional information provided, reclassifying material to the correct CC, repackaging the material (see Section C-5.6, Packaging), and/or placing material in CC H for disposal. The Contractor shall monitor SF 364s for receipt of disposition instructions. The Contractor shall complete disposition instructions upon receipt. The Contractor shall document actions taken and close out the SF 364 in DSS within 30 calendar days of receipt of disposition instruction IAW DLAI 4145.4, Stock Readiness, paragraph E, Procedures. The Contractor shall notify owners/IMs by mail, e-mail, or facsimile on completion of disposition actions if requested to do so.

F. When disposition instructions are not received within the prescribed timeframe IAW DLAI 4140.55, Reporting of Supply Discrepancies, the Contractor shall submit a follow-up inquiry using electronic means for the original SF 364. After three follow-ups, if a reply is still not received, the Contractor shall notify and forward a copy of the SF 364 and supporting documentation to the KO or designee.

G. Packaging discrepancies for DLA and Military Service managed material with PMRD involving non-hazardous items that do not fall into any of the special categories of DLAI 4140.55, Reporting of Supply Discrepancies, and do not have any shipping discrepancies shall be reported on a SF 364 if the labor needed to correct the packaging discrepancy is less than $200.00 for Military Service or $250.00 for DLA owned assets based on current DDC J8 PPP&M rates. A packaging discrepancy, outlined in DLAI 4140.55, includes any unsatisfactory condition due to improper or inadequate packaging (including preservation, packing, marking, non-compliant WPM or unitization) and which causes the item, shipment, or package to be vulnerable to loss, delay, or damage, or unnecessary expense to the U.S. Government, as in excessive packaging. (See DLAI 4140.55, Reporting of Supply Discrepancies, paragraph E. Procedures 2, U.S. Government Reporting Criteria and enclosures.)

5.2.1.4.2 CUSTOMER RETURNS

A. The Contractor shall process all customer returns received at the Depot. Customer returns are received as a result of returns to the supply distribution system (both automatic and directed) excess stock, supply directives, or frustrated cargo shipments. Customer returns may be received individually or as a part of a multi pack.

B. The Contractor shall evaluate customer returns as follows:

1. Material returned in the original unopened manufacturer or vendor packaging shall be evaluated using KCC visual inspection (at least one bare item) to verify item identification, count, proper packaging markings, and to ensure packaging is not damaged. If the visual inspection of one bare item fails, the Contractor shall perform a 100 percent visual inspection of all items on the same receipt documents.

2. For material returned in opened or not in original manufacturer or vendor packages, the Contractor shall perform 100 percent visual inspection of all material received comparing the part number to the item data contained in FLIS to verify the correct item. Visual inspection shall be to the bare item unless opening the packaging would compromise the material (i.e., oxygen cleaned).

3. The Contractor shall research technical manuals and/or the Federal Logistics Information System (FLIS) to determine the proper identification of ownership, NSN, and serviceability depending on the marking deficiencies of the material, missing NSN or part number, or lack of paperwork accompanying the material. The Contractor shall verify the NSN of the item returned by cross referencing the part number or associated bare item markings on the item against FLIS data and/or Technical Manuals. If the item cannot be identified through the aforementioned means, the Contractor shall suspend the item in condition code “K” and submit an SDR to the gaining IM requesting assistance in identifying the material. Based on PMRD data the Contractor shall record the material in DSS to the gaining IM’s account. When there is no PMRD data resident in DSS, the Contractor shall record the material in DSS to the gaining IM’s account based on the documentation accompanying the receipts. Documentation could be a shipping document, shipping label, etc. When there is lack of document and PMRD the Contractor shall process the receipt using a local document number and record the material in DSS to the Source of Supply (SOS), IM’s account and complete a SDR for Lack of Documentation. The Contractor shall research unit pack requirements of material IAW MIL-STD 2073-1, Standard Practice for Military Packaging; FLIS service

SPIs or DSS Packaging screens. The Contractor shall perform classification and material receipt discrepancy reporting for material, which may include unmarked ESDS components, RAM, and serviceable, unserviceable, pilferable and incomplete components.

4. The Contractor shall research technical manuals and/or the Federal Logistics Information System (FLIS) to determine the proper identification of ownership, NSN, and serviceability depending on the marking deficiencies of the material, missing NSN or part number, or lack of paperwork accompanying the material. The Contractor shall verify the NSN of the item returned by cross referencing the part number or associated bare item markings on the item against FLIS data and/or Technical Manuals. If the item cannot be identified through the aforementioned means, the Contractor shall suspend the item in condition code “K” and submit an SDR to the gaining IM requesting assistance in identifying the material. Based on PMRD data the Contractor shall record the material in DSS to the gaining IM’s account. When there is no PMRD data resident in DSS, the Contractor shall record the material in DSS to the gaining IM’s account based on the documentation accompanying the receipts. Documentation could be a shipping document, shipping label, etc. When there is lack of document and PMRD the Contractor shall process the receipt using a local document number and record the material in DSS to the Source of Supply (SOS), IM’s account and complete a SDR for Lack of Documentation. The Contractor shall research unit pack requirements of material IAW MIL-STD 2073-1, Standard Practice for Military Packaging; FLIS service SPIs or DSS Packaging screens. The Contractor shall perform classification and material receipt discrepancy reporting for material, which may include unmarked ESDS components, RAM, and serviceable, unserviceable, pilferable and incomplete components.

C. For all customer returns material received, except CC H and HAZMAT, the Contractor shall check FLIS for a LLRC requirement. LLRCs can be large, heavy and hard to handle, and can require the use of power tools and jib cranes to open. Examples of the items in large containers include, but are not limited to horizontal stabilizers, radomes, wing flaps, and aircraft engine components. If a LLRC is required, the Contractor shall process the material as follows:

1. Inspect the LLRC to determine that it is the correct LLRC and is serviceable. It is a packaging discrepancy, if the LLRC is different from that required by the owner/IM, or if the LLRC is unserviceable.

2. Open the LLRC and identify the item by comparing the NSN in FLIS for the part number marked on the item with the NSN on the supply documentation.

3. Verify that historical documentation is with the appropriate material and determine the material condition and completeness to the extent possible by visual inspection.

D. For customer return material received in a serviceable condition code that is packaged within non-compliant WPM (to include the Pest Free Stamp) shall be repackaged IAW C-5.6, Packaging upon receipt, using the provided non-reimbursable job order number.

E. For customer material received in a serviceable condition code that is packed on non-compliant WPM pallets/skids (to include the Pest Free Stamp) shall be repackaged IAW C-5.8.3, Repalletization upon receipt, using the provided non-reimbursable job order number.

F. Customer material returned in an unserviceable condition code that is packaged within or on non-compliant WPM shall not be repackaged upon receipt. No SDRs shall be submitted for any customer return material.

G. The Contractor shall not repackage non-compliant WPM RDO material upon receipt.

H. Depending upon the results of the visual inspection, the Contractor shall take the following actions:

1. If the material is correctly classified and is in the appropriate package, the Contractor shall seal and apply any required markings, complete the receiving process, and place the material in storage under the appropriate CC.

2. If the material is correctly classified, but has a packaging discrepancy, the Contractor shall take one of the following actions:

   (a) When a PMRD exists, and the cost is less than the dollar thresholds identified in DLAI 4145.4the Contractor shall repackage the material IAW the applicable packaging standard (see Section C-5.6, Packaging), complete the receiving process, and place the material in storage under the appropriate CC. If a LLRC is required and none are available, the Contractor shall minimally protect the material to prevent degradation in storage, requisition the required container from the appropriate owner/IM and upon receipt of the LLRC complete the packaging actions. The Contractor shall prepare an information only SF 364.
   (b) When a PMRD does not exist, the Contractor shall prepare and submit a SF 364 (Type 8 Discrepancy), minimally package the material to prevent degradation in storage, complete the receiving process, and place the material in storage under the appropriate CC.

I. If the material is incorrectly identified, the Contractor shall prepare and submit a SF 364 (Type 8 Discrepancy), minimally package the material to prevent degradation in storage, complete the receiving process, and place the material in storage under the appropriate CC.

J. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

K. For GSA material received as customer returns that is addressed to a GSA warehouse, the Contractor shall transship the material to the address listed on the material. If the address on the material is to the Depot, the Contractor shall process the receipt in DSS, immediately generate a Disposal Release Order (DRO), and issue the material to DRMO.

5.2.1.4.3 NEW PROCUREMENT (NP)

A. The Contractor shall receive and process NP material commercial sources. Inspection of NP is the examining of the material to determine whether it conforms to contract requirements. The Contractor shall visually inspect one bare item to validate the part number, NSN, contract specification and number, item characteristics, and procurement

item description (PID). The visual inspection shall be to the bare item unless opening the manufacturer's packaging would compromise the material (i.e., oxygen cleaned). If the visual inspection of one bare item fails, the Contractor shall perform a 100 percent visual inspection of all items on the same receipt document. Although the Contractor can receive property on behalf of the Government, the Contractor is not authorized to accept property on behalf of the Government. Therefore, the Contractor shall not sign block 21a of the DD Form 250. The Contractor shall notify the Government of any NP received and provide documentation for the Government to verify and sign acceptance.

B. Material should arrive with one or more of the following documents:

1. Shipping Invoice
2. Packing List
3. DD Form 1155
4. DD Form 250
5. DD Form 1348-1A

C. If the packing list is the only documentation accompanying the NP receipt, the Contractor shall review contract data which is available utilizing the Electronic Document Access (EDA) system to determine if the NP is source or destination acceptance.

D. The Contractor shall check the applicable contract (if available) or owner/IM Packaging Data File on all NP receipts for packaging requirements and to determine if a LLRC is required. If a LLRC is required or validate that the material is packaged in compliant WPM the Contractor shall verify that the material is packaged in the specified container or an authorized/approved alternate pack and if this cannot be done, the Contractor shall suspend the material and submit a SF 364 (Type 9 SDR) fully explaining what type of pack/container is needed for resolution. Additionally, if the material is not packaged in compliant WPM, the Contractor shall suspend the material in condition code "L" and submit a SF 364 (Type 9 SDR).

E. When an alert notice of technical data is provided in the DSS Material Exclusion File or by special inspection request by the procuring activity, the Contractor shall perform a KCC visual inspection on 100% of all items in order to validate manufactured product integrity. The Contractor shall report the results of the inspection IAW the instruction provided in the alert notice or special inspection request.

F. For all NP receipts accompanied by a DD Form 250, the Contractor shall perform all inspection requirements as outlined from paragraph C-5.2.1.4.3.1, Inspection/Acceptance at Origin, to paragraph C-5.2.1.4.3.3, Inspection at Origin/Acceptance at Destination, and complete Block 22 of the DD Form 250 and all other NP receiving documentation. If the DD Form 250 is missing or unsigned and cannot be replaced, material is found to require corrective action due to non-conformance with contract requirements, or conformance cannot be determined, the Contractor shall prepare and submit a SF 364 (Type 9 Discrepancy) to the owner/IM and stow the material in CC L. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs. If no discrepancies are noted, the Contractor shall complete the receiving process, induct material in CC A, and stow the material.

G. If the DD Form 250 or other receiving documentation is coded as destination acceptance, the Contractor shall document the results of the inspection and identify whether the material conforms or does not conform to the contract requirements. If the material does not conform to the contract requirements, the Contractor shall induct in C/C "L" and submit an SDR.

5.2.1.4.3.1 INSPECTION AND ACCEPTANCE AT ORIGIN

A. When the DD Form 250 or other receiving document prescribes Inspection/Acceptance at Origin, the Contractor shall:

1. Verify that block 21a of the DD Form 250 is signed (manually or electronically) by an authorized government representative indicating inspection and acceptance at origin. If a DD Form 250 does not accompany the material or block 21a is not signed by an authorized government representative, the Contractor shall perform research using the Wide Area Workflow – Receipts and Acceptance (WAWF-RA) system and print a copy of the appropriate Receiving Report to use in place of the DD Form 250 or contact the owner/IM for a copy of the DD Form 250. If the appropriate Receiving Report is not electronically signed with the inspector's name or is not in the WAWF-RA system and the owner/IM does not provide a signed copy of the DD Form 250, the Contractor shall prepare and submit a SF 364 (Type 9 Discrepancy) to the owner/IM and suspend the material in CC L. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

2. Perform a KCC visual inspection and verify that the unit of pack is appropriate to the level of packaging as specified in the contract and/or FLIS.

5.2.1.4.3.2 INSPECTION AND ACCEPTANCE AT DESTINATION

A. When the DD Form 250 or other receiving document prescribes Inspection/Acceptance at Destination, the Contractor shall:

1. Stage the material in receiving prior to stow so the government representative can perform KCC. The Contractor shall research and examine the contract (either in hard copy, electronically via Electronic Document Access (EDA) or on Internet website http://progate.daps.dla.mil/home.cfm) and WAWF-RA to determine contract requirements. If the contract is not available, the Contractor shall check FLIS and DSS to establish item identity and packaging requirements.

2. Inspect and verify that the packaging, marking and unit pack are appropriate to the level of packaging specified in the contract and/or FLIS.

3. Perform a KCC visual inspection. In addition to the KCC, the Contractor shall validate item identity based on verification and visual inspection of markings and other physical attributes against information outlined in the contract.

4. Repack and reseal inspected item(s) to original packaging standard.

5.2.1.4.3.3 INSPECTION AT ORIGIN/ACCEPTANCE AT DESTINATION

A. When the DD Form 250 or other receiving document prescribes Inspection at Origin/Acceptance at Destination, the Contractor shall:

1. Stage material in receiving prior to stow so the government representative can perform the KCC. The Contractor shall verify that block 21a of the DD Form 250 is signed (manually or electronically) by an authorized government representative indicating inspection at origin. If a DD Form 250 does not accompany the material or block 21a is not signed by an authorized government representative, the Contractor shall perform research using the WAWF-RA system and print a copy of the appropriate Receiving Report to use in place of the DD Form 250 or contact the owner/IM for a copy of the DD Form 250. If the appropriate Receiving Report is not electronically signed with the inspector's name or is not in the WAWF-RA system and the owner/IM does not provide a signed copy of the DD Form 250, the Contractor shall prepare and submit a SF 364 (Type 9 Discrepancy) to the owner/IM and suspend the material in CC L. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

2. Research and examine the contract (either in hard copy, electronically via EDA, or on an Internet website: http://progate.daps.dla.mil/home/cfm) to determine contract requirements. If the contract is not available, the Contractor shall check FEDLOG FLIS and DSS to establish item identity and packaging requirements.

3. Inspect and verify that the packaging, marking, and unit pack are appropriate to the level of packaging as specified in the contract and/or FLIS.

4. Perform a KCC visual inspection. In addition to the KCC, the Contractor shall validate item identity based on verification and visual inspection of markings and other physical attributes against information outlined in the contract.

5. Repack and reseal inspected item(s) to original packaging standard.

5.2.1.4.4 RESERVED

5.2.1.4.5 REDISTRIBUTION ORDERS (RDOS)

A. The Contractor shall process all RDOs, which include wholesale and retail material received at the depot. Redistribution Orders (RDO) are used to transfer stock between distribution depots. Redistribution material may be received individually or as a part of a multi-pack. The Contractor shall evaluate material received from other storage facilities as follows:

1. Material received in the original unopened manufacturer or vendor packaging shall be evaluated using KCC visual inspection (at least one bare item) to verify item identification, quantity, packaging marking, and packaging integrity.

2. For redistribution material received in opened or not in original manufacturer's or vendor's packages, or is a bare item, the Contractor shall compare the part number on the bare item(s) to the item data contained in FLIS to verify the correct item. If verification of the bare item fails, the Contractor shall perform a 100 percent verification of all items contained in the shipment if the shipment quantity is more than one. Visual inspection shall be to the bare item unless opening the packaging would compromise the material (i.e., oxygen cleaned).

B. The Contractor shall check material for conformance to packaging and marking IAW the Packaging Data File in DSS.

5.2.1.5 RESERVED

5.2.2 ADDITIONAL REQUIREMENTS

A. The Contractor shall perform the additional requirements for receipt of material as described in the following paragraphs:

5.2.2.1 AMMUNITION, EXPLOSIVES, AND DANGEROUS ARTICLES (AEDA)

A The Contractor shall identify AEDA material with a DEMIL code of other than G during the receipt process and validate that the material has been certified as inert. Typically, material containing AEDA that requires Contractor inert certification includes, but is not limited to, magazine clips, bandoliers, and ammo pouches. The DSS receipt restriction screen is designed to alert Contractor receiving personnel that the material requires visual inspection and inert certification. For AEDA material with a DEMIL code G, received without an inert certification, the Contractor shall immediately receipt the material in DSS using CC K, prepare and submit a SF 364 (Type 8 or 9 Discrepancy) to the owner/IM and stow the material in a controlled/hazardous storage area. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

B For AEDA material with DEMIL other than DEMIL Code G, if inert certification is required and can be accomplished through a visual inspection, the Contractor shall perform the visual inspection, verify the material is inert and attach the certification IAW DoD 4160.21-M-1, Defense Demilitarization Manual, Chapter II, Demilitarization of Surplus and Foreign Excess Military Items, paragraph D, Inert Material subparagraph 1. The certification document shall include signatures and printed or typed full names, organization name, address, and phone number. The Contractor shall attach the original, signed inert certification to the material.

C All Contractor personnel designated to certify and verify the inert certification must complete inert certification training (see TE 3.9, Government Furnished Training). The Contractor shall provide the KO or designee and local DRMO with a list of personnel identified to perform, certify and verify inert inspections along with verification that each of these individuals has completed the required training.

D If, at the time of receipt, inert certification is required and cannot be completed through visual inspection, the Contractor shall receipt the material in DSS using CC K, prepare and submit a SF 364 (Type 8 or 9 Discrepancy) to the owner/IM and stow the material in a controlled area. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

5.2.2.2 CONTROLLED MATERIAL

A. The Contractor shall receive controlled material IAW:

1. DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Physical Security Program
2. DLAM 4140.2, Supply Operations Manual, Volume I, Distribution System Procedures, and Volume III, Defense Depot Transportation and Supply Procedures

3. DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply
4. DLAD 5025.30, DLAD One Book, Chapter: DLA Enterprise Support, Title: DLA Information Security Program
5. DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 208, Packaging and Handling, and Chapter 210, TDR
6. DoD 5200.1-R, Information Security Program
7. DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)

5.2.2.2.1 CLASSIFIED MATERIAL (SECRET, CONFIDENTIAL AND CCI)

A The Contractor shall screen shipments received via the USPS for first class mail with the caveat "Postmaster: Address Correction Requested, Do Not Forward." If classified material is received or is identified or suspected to be classified, the Contractor shall immediately notify a Contractor Supervisor and the KO or designee with appropriate clearance to take control of the material. The employee identifying the material as suspect shall not lose possession of the material until handed off to the appropriate cleared personnel. The Contractor shall maintain signature custody whenever classified material changes hands using DLA Form 27 or equivalent.

5.2.2.3 CRITICAL SAFETY ITEM (CSI)

A. The CSI program is the DLA commitment to ensure NSNs identified as CSIs have been procured from approved sources. The Contractor shall initiate a CSI evaluation as directed by the receipt restriction screen and perform a KCC on one bare item of the same NSN of incoming material receipts flagged as CSI in the DSS receipt restriction screen. The Contractor shall verify the Commercial and Government Entity (CAGE) code (both primary and alternate, if applicable) via the web at: https://www.dscr.dla.mil/ExternalWeb/UserWeb/aviationengineering/TechnicalOversight/CSIguidanceandpolicy.htm. If information/ data cannot be verified or if the receipt restriction screen so directs, the Contractor shall prepare and submit a SF 364 (Type 9 Discrepancy) to the owner/IM and stow the material in CC L for NP and CC J for all other receipts. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs. The Contractor shall use Discrepancy Code Q7 and Action Code 1A as the default codes for all CSI SDRs.

5.2.2.4 CUSTOMER RETURNS IMPROVEMENT INITIATIVE (CRII)

A. The CRII Program is the DLA effort to prevent known nonconforming assets from re-entering the supply chain. The Contractor shall inspect incoming DLA managed customer return material receipts flagged as CRII in the DSS receipt restriction screen and process the material as directed by the DSS receipt restriction screen, which may include initiating a CRII evaluation. Evaluations may include but are not limited to determining an item's condition of packaging, contract number, CAGE code (both primary and sub-contractor if applicable), part number, CC, bare item markings, condition of packaging or other specific information/data. If information/data cannot be verified or if the receipt restrictions screen so directs, the Contractor shall prepare and submit a SF 364 (Type 8 Discrepancy) to the owner/IM and stow the material in CC J. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

5.2.2.5 ESDS MATERIAL

A. DDKS does not currently receive Electrostatic Discharge materials (ESD), but it is possible to receive ESD in the course of the performance of the requirements. In the event that DDKS does receive EDS, the Contractor shall maintain ESD workstations and process all ESDS material at an ESD workstation (See paragraph C-4.5.1, Custodial). Prior to removing an ESDS item from the package, the Contractor shall follow the procedures identified in DLAM 4140.2, Supply Operations Manual, Volume III, Defense Depot Transportation and Supply Procedures, Chapter 16, Electrostatic Discharge Sensitive Devices, paragraph 316203, Receipt Processing.

5.2.2.6 HARD TO HANDLE MATERIAL

A. The Contractor shall receive a variety of hard to handle material throughout the weight bands to include but not limited to trailer mounted power equipment, special purpose trailers, aircraft parts and sub-assemblies, engines, test stands, and wing folds. These items may weigh up to five tons and be up to 38 feet long and up to 8 feet wide and may be in a serviceable or unserviceable condition.

5.2.2.7 HAZARDOUS MATERIAL (HAZMAT)

A. The Contractor shall process HAZMAT IAW:

- Applicable federal, state, local and international laws and regulations
- 40 CFR, Protection of Environment, Chapter I, Environmental Protection Agency, Part 260, Hazardous Waste Management System, Part 261, Identification and Listing of Hazardous Waste, Part 262, Standards Applicable to Generators of Hazardous Waste, and Part 263, Standards Applicable to Transporters of Hazardous Waste
- DLAI 4145.11 Storage and Handling of Hazardous Materials, Chapter 3, Receipt of Hazardous Materials
- 49 CFR, Transportation Parts 100-185

B. The Contractor shall exercise care during off-loading operations to adequately segregate incompatible HAZMAT on the receiving dock. The Contractor shall segregate and stage all HAZMAT by Hazardous Characteristics Code (HCC).

C. The Contractor shall verify that a MSDS is recorded in HAZMAT Information Resource System (HMIRS) for all HAZMAT receipts and enter the applicable MSDS serial number and HCC in DSS. If a MSDS is not recorded in HMIRS, the Contractor shall prepare and submit a Technical Support Inquiry Form to the HMIRS POC listed on the Form. The Contractor shall provide a copy of the Technical Support Request Form to the KO or designee. If an MSDS is not available either in HMIRS or hard copy, the Contractor shall flag the material in DSS to reflect that an MSDS is pending (Hazardous Material Indicator Code-P), assign a temporary HCC, and send the material to storage. Upon receipt of the MSDS, the Contractor shall update DSS.

D. For frustrated or misdirected HAZMAT that requires forwarding, the Contractor shall confirm by inspection that the package is in the proper condition for transportation and all mandatory documents are properly executed and included with the HAZMAT prior to forwarding the material. If the material is not in the proper condition for transportation, the Contractor shall prepare and submit an SF 361 (Type 3 Discrepancy) against the shipping activity and

correct the discrepancy prior to forwarding. If the item is improperly packed and/or not certified, the Contractor shall report via SF 364 against the shipping activity/owner.

5.2.2.8 FRUSTRATED MATERIAL

A. Frustrated material consists of:

- Material with incorrect MILSTRIP/MILSTRAP information
- Material found in the DDKS area without documentation or accountability
- Unidentified material
- Customer rejected material

B. The Contractor shall research and resolve within 10 working days of receipt, frustrated material, which consists of identifying:

- NSN
- Correct document number or other information as available in DSS, FLIS or other known sources of associated procurement documents to correctly receipt the material into DSS
- Correct address/shipping information

C. The Contractor shall process resolved frustrated material, which may include but not limited to redirecting the shipment or receipting the material to stock. When all avenues of research have been exhausted and the frustrated material is unresolved, the Contractor shall place the material in C/C “K” and receipt the material to mission stock to the appropriate SOS by class for like items determine in the DLA handbook using a Pseudo NSN and local document number, and prepare and submit an SF 364 (Type 8 or 9 Discrepancy) to the owner/IM and stow the material in the appropriate CC. Upon receipt of disposition instructions the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

D. The Contractor shall return frustrated shipments that cannot be delivered to the consignee to the distribution activity designated by the owner/IM. For frustrated shipments that DDKS did not initially ship and those returned to storage after investigation, the Contractor shall receive and place the material in storage as a normal receipt.

5.2.2.9 MAGNETIC MATERIAL

A. Magnetic type items can be hazardous to people with pacemakers and to Aircraft Gyro Systems and electromagnetic sensitive items; therefore, the Contractor shall properly receive and store magnetic material away from electromagnetic sensitive material. The Contractor shall verify that magnetic material is properly packaged IAW contract specifications for NP and IAW MIL-STD 2073-1, Standard Practice for Military Packaging, for off-base customer returns and redistribution material. If the magnetic material is not properly packaged, the Contractor shall prepare and submit an SF 364 (Type 8 or 9 Discrepancy) to the owner/IM and stow the material in CC L for new procurement, and C/C “K” for customer returns and redistributions.. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

5.2.2.10 MISDIRECTED MATERIAL

A. Misdirected material consists of shipments that have incorrect or invalid documentation or delivery addresses, or material that is shipped to the wrong destination.

B. After determining that an item is misdirected, the Contractor shall conduct the appropriate research necessary to obtain the correct documentation or delivery address, and shall coordinate delivery of misdirected shipments with shipping activities, commercial vendors, owners/IMs, and other DoD/Federal agencies. The Contractor shall prepare an SF 364 (Type 8 or 9 Discrepancy) to report material improperly addressed and shipped to the wrong activity, regardless of value. The Contractor shall prepare an SF 361 (Type 3 Discrepancy) to document transportation discrepancies and provide to the owner/IM. The Contractor shall separately stage all material that is misdirected, has no paperwork, or has wrong paperwork, until the correct destination is determined.

C. When the correct destination is determined, the Contractor shall forward all misdirected material promptly to its intended destination. The Contractor shall process material for off-base destinations as off-base transshipments (see paragraph C-5.5.2.12, Transshipments).

5.2.2.11 RESERVED

5.2.2.12 RESERVED

5.2.2.13 RESERVED

5.2.2.14 RECEIPTS LOST IN-TRANSIT

A. When due-in material is not received by the delivery date and the Depot has POS/POD, the Contractor shall immediately schedule a formal inventory using TPIC S and conduct research to include but not limited to visually checking the receiving area, reviewing on-hand balances to determine if an overage exists that would account for the lost receipt and verifying the validity of the POS/POD. If the material is found, the Contractor shall process the receipt.

B. If at the conclusion of the research, the material has not been found and the POS/POD has been verified, the Contractor shall post the receipt in DSS with management code Y to identify material loss (i.e., Receipts Lost In-Transit). The Contractor shall use the quantity on the POS/POD for induction, posting the receipt with a management code Y will close the due-in record in both DSS and in the owner's/IM's procurement system and automatically generate an inventory loss (D9A). The D9A will generate an IAV for either mandatory or non-mandatory causative research IAW DLAD 4140.69, Inventory Adjustment Research. (See paragraph C-5.4.1.2, Research of Potential or Actual Physical Inventory Adjustments.)

5.2.2.15 SHELF LIFE MATERIAL

A. The Contractor shall process shelf-life material receipts IAW:

1. DLAM 4140.2, Supply Operations Manual, Volume III, Defense Depot Transportation and Supply Procedures, Chapter 11, Control and Issue of Items Having Limited Shelf-life
2. DoD 4140.27-M, Shelf-Life Management Manual, Chapter 4, Receiving, Storage, Surveillance and Extensions

B. The Contractor shall determine the type of shelf-life and date of manufacture/cure, pack, assembly or date of last inspection/test and assign the appropriate CC to the shelf-life material IAW DoD 4140.27-M, Shelf-Life Management Manual, Appendix F. The Contractor shall inspect the packaging of NP shelf-life material to ensure compliance with the following:

1. All material is marked IAW MIL-STD 129, MIL-STD 130, MIL-STD 290 (FSC 9150 only) or FED-STD-123, Military Marking for Shipment and Storage.
2. A minimum of 85% shelf-life remains at the time of receipt by the first government activity. (See DoD 4140.27-M, Shelf-Life Management Manual, Chapter 4, Receiving, Storage, Surveillance and Extensions, paragraph 4-2, Inspection and Discrepant Receipt Processing, and Appendix E, Shelf-Life Codes, for the 85% requirement.)

C. For material not conforming to the above requirements, the Contractor shall prepare and submit a SF 364 (Type 8 or 9 Discrepancy) to the owner/IM and stow the material in CC L. Upon receipt of disposition instructions, the Contractor shall perform IAW paragraph C-5.2.1.4.1, SDRs.

5.2.4 STOW

A. The Contractor shall complete the receipt process by stowing the material. The Contractor shall assign the stow location for non-DSS planographed areas. For planographed areas, DSS will systemically recommend the stow location; however, the Contractor has the option of manually assigning the stow location. The stow process is accomplished by DSS identifying the stow location (i.e., DSS Putaway Control Number), the physical placement of the material in that location and the posting of the stow action to the DSS accountable records. The Contractor may stow non-accountable receipts in a temporary location pending customer pick-up and shall notify the customer for subsequent pickup.

B. The Contractor shall place receipted material in the proper storage location IAW:

- DLAI 4145.4, Stock Readiness
- DoD 4145.19-R-1, Storage and Materials Handling, Chapters 1, 2, 3, 5 and 7

5.3 STORAGE

A. The Contractor shall accomplish storage processes IAW the following:

- DLAI 4145.4, Stock Readiness
- DoD 4145.19-R-1, Storage and Materials Handling

B. The Contractor shall store all material in the correct type of location (e.g., general storage, hazardous, controlled temperature warehouse), in a manner that prevents damage or deterioration to the material and in a configuration that provides for the optimal and efficient use of storage space. The Contractor shall store and rewarehouse material in the least amount of space and shall comply with all requirements to segregate certain items. Using DSS, the Contractor shall provide separate storage locations for NSNs with different CCs and/or different shelf-life codes (SLCs). The Contractor shall maintain segregated locations for NSNs with the same CC and SLCs that are common between the different armed services if the owner/IM identifies differences on the item historical documentation.

5.3.1 GENERAL REQUIREMENTS

A. The Contractor shall maintain floor striping and storage area markings in covered warehouse and operational areas IAW DLAM 4145.12, JSM for Storage and materials Handling, Chapter 3, Section III. The Contractor's floor striping shall be clear and easily distinguished in order to properly identify aisles, storage locations, material staging areas,

fire extinguishers, emergency exits, electrical service panels, and any other floor areas that require identification through floor markings.

B The Contractor shall perform general housekeeping practices for all inside and outside storage areas. The Contactor shall maintain warehouse locations in a clean and neat manner and dispose of empty boxes and trash properly. The Contractor shall place DSS location labels in all rack and bulk locations. The Contractor shall not store material in an unsafe manner (e.g., damaged containers, leaning racks) or stack material to a height that will create an unsafe working environment. The Contractor shall stow material IAW National Fire Protection Association (NFPA) guidelines. The Contractor shall create and maintain floor striping and storage location markings in covered warehouse and operational areas. The Contractor shall ensure that signage is standardized and format is approved by the KO or designee in advance.

C The Contractor shall utilize DSS location placards or barcode labels to mark locations in covered and open storage areas. This requirement does not apply to those locations that are not DSS locations or those with a location front that is smaller than the location placard. The Contractor shall place location placards that will be used in open storage areas or shed areas in protective covers to preserve and extend the life of the placard.

D The Contractor shall store material IAW the requirements in the following paragraphs:

5.3.1.1 CARE OF SUPPLIES IN STORAGE (COSIS)

A. The Contractor shall maintain all material in storage in a Ready for Issue (RFI) condition to prevent uneconomic deterioration. The Contractor shall comply with the inspection requirements and take required actions to preserve and maintain material in a serviceable condition and restore material to RFI condition IAW paragraph C-5.3.1.1.1, In-Storage Inspection and Minor Repair.

B. The Contractor shall perform COSIS, including but not limited to the following actions:

1. In-storage inspections
2. Minor repair of packaging
3. Limited testing of material, as negotiated between the DDC and owner/IM
4. Preparing and submitting a DD Form 1225 (Type 5 Discrepancy) to the owner/IM for COSIS actions exceeding minor repairs
5. All intra-depot material movement to perform those tasks

5.3.1.1.1 IN-STORAGE INSPECTION AND MINOR REPAIR

A. The Contractor shall perform COSIS, visual inspection, and surveillance of material in storage to detect deterioration of material and/or packaging. The number of inspections required each month is contingent upon type storage and date of last inspection in DSS. The Contractor shall, at a minimum, inspect the material IAW DLAI 4145.4 Stock Readiness COSIS inspection frequency guidance as generated by DSS COSIS workload each month. The Contractor shall complete 100% of the DSS monthly workload identified in DSS as Inspection Category V06, V12, V24, V30, and V60. The Contractor shall perform minor repairs on packaging, which are repair actions that do not exceed one hour in duration per NSN storage location. The Contractor shall identify and track completion of minor repair requirements using the report format in C-6.6.1 Mandatory Reports, Report 002, Monthly Packaging Report under 1 Hours.

B. The Contractor shall perform COSIS inspections and visual surveillance of material in storage, which shall, as a minimum, consist of the following:

1. Inspection for deterioration of the unit pack and/or marking. The Contractor shall survey damaged or deteriorated packaging against the lowest level authorized by the owner/IM and IAW the appropriate item type storage code.

2. Inspection of LLRCs, including any humidity indicators, IAW container guidance published by the owner/IM.

3. Inspection of material IAW DoD 4140.01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM).

4. Correction of material requiring minor packaging repair on the spot. Except to comply with applicable regulations for HAZMAT or to comply with owner/IM instructions, the Contractor is not required to perform COSIS or correct packaging discrepancies on material designated for disposal.

C. For previously packaged material that fails any of the requirements above, the Contractor shall prepare and submit a DD Form 1225 (Type 5 Discrepancy) electronically or by fax as applicable to the owner/IM (either Service or DLA) and suspend the material in the appropriate CC. The Contractor shall perform disposition instructions upon receipt IAW DoD 4000.25-2-M.

D. When correcting deteriorated packaging, the Contractor shall comply with the minimum levels of packaging for Stock Readiness as identified in the following table:

MINIMUM LEVELS OF PACKAGING

Type Material	Type Storage	Material CC	Reusable Container Required	Minimum Level of Packaging
Consumable	Outside	All Codes	No	A
Consumable	Inside	Serviceable	No	B[2]
Repairable	Outside	All Codes	[1]	A[3]
Repairable	Inside	All Codes	Yes[1]	B[3]
Repairable	Inside	Serviceable	No	B[2]
Repairable	Inside	Unserviceable	No	Minimal

[1] If a LLRC is specified in the owner/IM Packaging File, it is the only approved method of pack unless alternate packaging information is provided. If alternate packaging information is not provided, the affected owner/IM Packaging Office must approve alternate packaging in writing.

[2] If packaging is adequate/good condition level B or minimal military packaging, the Contractor shall not repackage. If repackaging is required, the Contractor shall repackage to military preservation with level B packaging. If weight/dimensions exceed specification limitations for fiberboard boxes, the Contractor shall repackage military preservation with level A packaging.

[3] If LLRCs are not immediately available, the Contractor shall requisition from the appropriate owner/IM the required LLRCs. The Contractor shall package items using military preservation with

minimal military packaging and store them indoors until the LLRCs become available.
NOTE: Material used exclusively in Depot overhaul programs (e.g., maintenance level) may be stored with minimal/vendor commercial packaging.

5.3.1.1.2 DISTRIBUTION STANDARD SYSTEM (DSS) SHELF-LIFE/CYCLIC INSPECTIONS

A. The Contractor shall perform shelf-life/cyclic inspections. The number of shelf-life items and the types of inspections required are contingent upon SLCs and expiration dates entered into DSS during the receiving process or as directed by the owner/IM.

B. The Contractor shall survey the condition of material and its packaging so that stored material is inspected and maintained IAW:

- DLAR 4155.37, Material Quality Control Storage Standards, paragraph VIII D.6, Storage Standards Content, Quality Defect Code, Shelf-Life Type Code
- DoD 4140.27-M, Shelf-Life Management Manual, Chapter 2, Acquisition and Procurement
- DoD 4140.27-M, Shelf-Life Management Manual, Chapter 4, Receiving, Storage, Surveillance, and Extensions

C. Shelf-life/cyclic inspection requirements are generated by DSS on a monthly basis. As a result of shelf-life/cyclic inspections, the Contractor shall update DSS with new shelf-life inspection/test dates, forward items to designated testing laboratories as directed by the owner/IM or downgrade the CCs.

D. The Contractor shall downgrade CCs of shelf-life items as follows:

1. For Type I (non-extendible) shelf-life items, the Contractor shall downgrade the material from CC A to B to C to H IAW the DoD 4140.27-M, Shelf-Life Management Manual, Appendix F, Table for the Application of Supply Condition Codes to Shelf-Life Items.
2. For Type II (extendible) shelf-life items, the Contractor shall inspect material requiring visual inspection six to seven months prior to the inspection/test date IAW DLAR 4155.37, Material Quality Control Storage Standards Policy for Shelf-Life Material. The Contractor shall identify material requiring laboratory testing nine months prior to the inspection/test date, (i.e., while it is still in CC A.) Prior to requesting testing, the Contractor shall check the DoD Quality Status Listing (QSL) through Shelf-Life Extension System (SLES) to determine if the item has been extended. The Contractor shall automatically extend these items based on the criteria identified in the QSL. (See DoD 4140.27-M, Shelf-Life Management Manual, for more information on steps to be taken as a result of the inspection or test results.)

E. For Type II shelf-life items requiring testing, the Contractor shall prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM and migrate material to CC B then C then J until disposition instructions are received. On the direction of the owner/IM, the Contractor shall prepare a DD Form 1222, select the required sample, and ship the sample to the designated test laboratory. Based on the result of the inspection or test and disposition instructions from the owner/IM, the Contractor shall take one of the following actions:

1. If the shelf-life is extended, assign a new inspect/test date and appropriate CC, attach a DD Form 2477 to the storage location, and attach extension labels to all exterior, intermediate and unit containers prior to shipment
2. Suspend material that does not pass the visual inspection in CC J and prepare and submit a DD Form 1225 to the owner/IM requesting disposition instructions
3. If the material will be disposed of, downgrade the material to CC H

F. When it is suspected than an item has been assigned an erroneous SLC, the Contractor shall prepare and submit a written SLC challenge to the shelf-life administrators IAW DoD 4140.27-M, Shelf-Life Management Manual, Chapter 2, paragraph 2.2.c, Challenging a SLC Agreement, reference b.

5.3.1.1.3 SPECIAL INSPECTIONS

A. The Contractor shall perform special inspections resulting from a Safety of Use Message, an Aviation Safety Action Message, a Safety of Flight Message, a PQDR, and CRII and CSI stock screenings or as directed by the KO or designee or requested from the owner/IM. The requests may be for one or multiple NSNs or may be requests to assist with a scheduled, escorted visit so that the customer can perform a limited technical inspection. The Contractor shall be notified by the KO or designee in advance of approved warehouse or escorted visits. Upon receipt, the Contractor shall enter the requests into a special inspection workload record in DSS. Special inspections will also come into DSS from a DLA IM automatically building workload. These special inspections shall be completed and results recorded in DSS per the following timeframes: SOF/CSI (inspection category SOF, SO2, SO3, CSI, CS2, CS3) IN 5 DAYS, Quality notifications (inspections category QN1, QN2, QN3) in 10 days and routine (inspection category RSI, RS2, RS3) in 30 days.

B. The Contractor shall obtain clarification and verification of inspection parameters from the requester as needed. The Contractor shall use only those tools required to open the container/package being inspected. The visiting Specialist/Technician may use a tape measure as necessary. If precision tools are required to perform the inspection, the Contractor shall notify the customer to submit a requisition to have the material issued to the customer.

C. The Contractor shall perform special inspections that include but are not limited to the following:

1. Determining/verifying bare item markings and remarking as directed
2. Segregating items per contract number
3. Checking item quantity
4. Ensuring all components are packaged in the correct unit pack and repackaging as directed
5. Verifying lot and part numbers
6. Verifying item data information and results with the owner/IM
7. Conducting an out-of-cycle shelf-life and non-shelf-life cyclic inspection and changing the shelf-life inspection/test date IAW DoD 4140.27-M, Shelf-Life Management Manual.

D. Upon completion of the inspection, the Contractor shall provide notification of inspection results to the requester including photos of stock as evidence of stock condition if required

by the requester. The Contractor shall prepare and submit to the KO or designee a DD Form 1225 (Type 5 Discrepancy) IAW DLAI 4145.4, Stock Readiness, paragraph E.7, Special Inspections, providing the labor and material costs required to accomplish the inspection including moving stock from and back to location, unpacking items for inspection, repackaging, and correcting the CC as necessary. The Contractor shall submit a DD 1225 to the owner/IM (Service or DLA), as applicable, via fax or other electronic means.

E. The Contractor shall follow up on all DD Form 1225s (Type 5 Discrepancy) submitted and perform disposition instructions upon receipt. The Contractor shall update the DSS exclusion file to preclude known discrepant stock from re-entering the supply system.

5.3.1.1.4 COSIS ACTIONS EXCEEDING MINOR REPAIR

A. When an item is identified for a COSIS action exceeding minor repairs, the Contractor shall inspect all like items in storage. The Contractor shall prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM(Service or DLA) for the COSIS actions exceeding minor repair identified for each NSN in each CC with recommended COSIS actions and a cost estimate to correct the deficiency. The Contractor shall comply with DLAI 4145.4, Stock Readiness Instruction, Enclosure 2, Instructions for Preparing DD Form 1225. The Contractor shall note the severity of the deterioration on the DD Form 1225 (Type 5 Discrepancy) in Block 35 as follows:

- Critical - Material is in immediate danger of deteriorating to a lower CC
- Major - Material is deteriorating and is likely to be in a lower CC at the next COSIS cycle
- Minor - Material is not in the packaging specified by the owner/IM

B. The Contractor shall monitor and respond to status changes and disposition instructions for DD Form 1225s (Type 5 Discrepancy) in DSS. After authorization has been given by the Owner/IM the Contractor shall submit the stamped/signed DD 1225 to the KO or designee for funding. The Contractor shall take no further action until the KO or designee, provides the Contractor with the DD 1225 control number with a JON annotated, which authorizes the COSIS action. When the COSIS action is completed, the Contractor shall annotate the spreadsheet and the DD Form 1225 (Type 5 Discrepancy) with the actual labor hours and material costs and provide a copy of the spreadsheet to the KO or designee the end of each month. If the COSIS action is not authorized, the owner/IM will provide disposition instructions for the material.

5.3.1.2 PLANOGRAPHS AND STORAGE SPACE MANAGEMENT REPORT (SSMR)

A. The Contractor shall maintain planographs IAW DLAM 4145.12, Joint Service Manual (JSM) for Storage and Materials Handling, Section V, Space Control and Reporting, paragraph 2-12, Space Control Techniques, subparagraph c, Floor Plan or Planograph, using the AutoCAD software. The Government will furnish the initial software, and the Contractor shall provide any upgrades to the software.

B. The Contractor shall accurately draw planographs of assigned areas to scale. Planograph drawings shall include all storage and support areas, and shall incorporate columns; stair wells; elevator shafts; offices; break areas; washrooms; fire, personnel and cargo doors; electrical panels; battery charging areas; structural loss; and support spaces. The Contractor shall utilize existing drawing conventions and include general notes blocks to show building or bay dimensions, gross square feet (GSF), Aisles, Structural Loss and Support space. The general notes block shall also include Net Square Feet (NSF) and

Attainable Cubic Feet (ACF) for bin, rack and bulk space. The Contractor shall label each storage area or row with dimensions, NSF and ACF. The Contractor shall identify and label all other areas with the appropriate text, including aisles and operational areas. The Contractor shall review planographs annually and shall update the planographs when warehouse layouts change. The Contractor shall include the name of the person who measured the space and the name of the person who prepared the planograph as well as the date drawn or updated.

C. The Contractor shall

1. Use planographs to prepare the Storage Space Management Report (SSMR) (DD Form 805) (See paragraph C-6.6.2, Semi-Annual Reports, Report Number 012, Storage Space Management Report) IAW DLAM 4145.12, Joint Service Manual for Storage and Material Handling and in the DDC SSMR Training Workbook (found in the Technical Library) and submit the report to the KO electronically as well as with a hard copy.

2. Submit the semi-annual SSMR to the KO or designee NLT December 15th and June 15th to allow the KO or designee to review for completeness and accuracy prior to submission to DDC by January 1st and July 1st.

3. Use warehouse planograph drawings to prepare the semi-annual SSMR by specific warehouse.

4. Complete each individual SSMR to provide detailed capacity and occupancy data for each warehouse bay and open storage lot.

5. Report all data without rounding when completing the SSMR Workbook.

6. Prepare and submit the summary SSMR for the entire center with all data rounded to thousands.

7. Maintain an audit trail comprised of a hard and/or soft copy of all working papers, source documents, inquiries, worksheets, data disks and other pertinent papers used to complete the SSMR for a minimum of three years.

5.3.1.3 TOP 100 WEIGHT AND CUBE NATIONAL STOCK NUMBER (NSN) PROGRAM

A. The Top 100 Weight and Cube NSN program is designed to gather actual weight and cube data in order to correct overall systems weight and cube files. NSNs can range in weight from less than one ounce to in excess of 10,000 pounds. NSNs can range in size from less than one cubic inch to greater than 5,000 cubic feet. The Contractor may be required to obtain the weight and cube information through research for heavy bulk items (hard to handle items) too large for the scales.

B. The Contractor shall update a minimum of 100 Global Weight and Cube (GWC) records monthly. The Contractor shall utilize DSS program R7AZ to generate the monthly weight and cube workload. The Contractor shall weigh and measure the items IAW program requirements and update weight and dimension data in the GWC record in DSS using screen R7AV. Only Contractor personnel who have completed the Top 100 Weight and Cube training (see TE 3.9, Government-Furnished Training shall perform and record the actual data measurements to update the GWC record.

C. During any distribution process, if the weight and measurement data is missing or is suspect, Contractor personnel trained in the Top 100 Weight and Cube program shall weigh and measure the items using the procedures established by that program and submit the correct information in the same format required for that program and update the GWC record in DSS in addition to their monthly Top Weight and Cube Program workload.

5.3.4 ADDITIONAL REQUIREMENTS

A. The Contractor shall perform the additional requirements for storage of material as described in the following paragraphs:

5.3.2.1 AEDA

A. During COSIS surveillance of AEDA material, the Contractor shall verify the presence of inert certification documents. For material identified as AEDA without documentation attached that certifies the material is inert, the Contractor shall perform the visual inspection, verify the material is inert and attach the certification IAW DoD 4160.21-M1, Defense Demilitarization Manual, Chapter II, Demilitarization of Surplus and Foreign Excess Military Items, paragraph D, Inert Material, subparagraph 1, to the material. If material cannot be verified as inert or is questionable, the Contractor shall suspend the material in the appropriate CC, prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM and move the material to a controlled area. The Contractor shall perform disposition instructions upon receipt.

5.3.2.2 CONTROLLED MATERIAL

A. The Contractor shall store and safeguard all controlled material IAW:

- DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Information Security Program
- DLAD 5025.30, DLA One Book, Chapter: DLA Enterprise Support, Title: DLA Physical Security Program
- DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply
- DoD 5200.1-R, Information Security Program, Chapter 6, Section 4
- DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)

B. If DDKS has approved controlled material storage areas and the Contractor proposes to re-locate any of the areas, the Contractor shall submit the proposal in writing to the KO or designee for approval prior to the movement of any material. The Contractor shall perform the additional requirements for storage of controlled items as described in the following paragraphs:

5.3.2.2.1 PILFERABLE MATERIAL

A. The Contractor shall store pilferable material, to the greatest extent possible, in a single building or in contiguous buildings with controlled access. The Contractor shall use KO or designee approved locking devices on doors of all storage areas.

5.3.2.2.2 SENSITIVE ITEMS

A. The Contractor shall store all sensitive material IAW DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply, paragraph IV, Responsibilities, subparagraph B2, DLA Field Activities.

5.3.2.3 HAZARDOUS MATERIAL (HAZMAT)

A. The Contractor shall segregate and store HAZMAT by HCC and handle HAZMAT to prevent risks to personnel or to the facility in which it is stored. The Contractor shall record the applicable MSDS number and HCC in DSS for each HAZMAT storage location.

B. HAZMAT is generally classified by the primary hazard characteristic since it is not practical to provide a completely detailed, item-by-item listing of this material and their storage requirements. The ten broad categories of HAZMAT storage are:

1. A-Radioactive
2. C-Corrosive
3. D-Oxidizer
4. E-Explosive
5. F-Flammable
6. G-Gas, Compressed
7. L-Low Hazard (General Purpose)
8. P-Peroxide, Organic
9. R-Reactive
10. T-Poison

C. Within the ten major storage areas further separation is required based on the compatibility of the individual items whose general properties indicate they may be stored in the same storage area. The Contractor shall comply with DLAI 4145.11, Storage and Handling of Hazardous Materials, Appendix C, Storage Segregation Matrix: HCCs to Storage Segregation. The Contractor shall perform the additional requirements for storage of HAZMAT as described in the following paragraphs:

D. The Contractor shall store HAZMAT and compressed gases (liquefied and gaseous) in the approved HAZMAT facility or cylinder yard and IAW:

1. DLAI 4145.11, Storage and Handling of Hazardous Materials, Enclosure 1, Storage and Handling of Hazardous Materials, Chapter 4, Storage and Care of Hazardous Materials, Section II, Hazardous Materials Storage Requirements
2. DLAI 4145.25, Storage and Handling of Liquefied and Gaseous Compressed Gases and Their Full and Empty Cylinders
3. ERG 2004, Emergency Response Guidebook

E. The Contractor shall store HAZMAT in the approved HAZMAT facility in one of two defined areas:

1. Separate inside storage: A room or building used for the storage of material in containers or portable tanks, separated from other types of storage occupancies.
2. Segregated storage: Material is physically separated by sills, curbs, or distance. The distance to separate material may be occupied by compatible non-HAZMAT. If

used, the Contractor shall maintain the distance between HAZMAT even if compatible non-HAZMAT is moved.

F. In changing storage layout plans, the Contractor shall note that HAZMAT/chemicals have characteristics that require the material to be specially stored or handled to prevent risks to personnel or to the facility in which they are stored.

G. All Contractor personnel who handle and store HAZMAT and compressed gases (liquefied and non-liquefied) contained in cylinders shall be aware of and comply with all applicable regulations. The Contractor personnel who have the responsibility of storing and handling HAZMAT and compressed gases and gas cylinders shall have a working knowledge of the characteristics and hazards associated with each individual gas (see TE 4.1, Contractor Furnished Training). The Contractor shall store and segregate all cylinders in a safe manner.

5.3.2.4 RESERVED

5.3.2.5 RESERVED

5.3.2.6 SHELF LIFE MATERIAL

A. The Contractor shall store shelf-life material (Type I or II) according to the expiration date or inspection/test date of the material. The Contractor shall process and store all shelf-life items IAW DoD 4140.27-M, Shelf-Life Management Manual, Chapter 4, Receiving, Storage, Surveillance and Extensions.

B. The Contractor shall store shelf-life items in separate locations organized by type as follows:

TYPE I BY:	TYPE II BY:
NIIN Date manufactured Date cured Date assembled Date packed Expiration date	NIIN Date manufactured Date cured Date assembled Date packed Inspection or test date

C. The Contractor shall store shelf-life items with one lot/batch per storage location. Although this is the preferred method of storage, a lack of storage space could necessitate a need to store multiple lots per location. When this occurs, the Contractor shall identify each lot/batch within the location with a placard.

5.3.3. REWAREHOUSING ACTIONS

A. A rewarehousing action is the movement of material from one storage location to another. Re-warehousing actions begin when a re-warehousing stow is generated in DSS and ends when the material is physically placed in a finite storage location and closed in DSS. The Contractor shall perform rewarehousing actions to ensure proper storage of material and to maximize the existing warehouse and/or cube utilization.

5.4 PHYSICAL INVENTORY CONTROL

A. The Contractor shall maintain inventory accuracy for warehoused stock IAW the APLs located in TE 5.1. The Contractor shall perform Physical Inventory Control Program (PICP) services that maintain integrity in mission stock asset balances IAW:

1. DDCM 6055.20, Radiological Health Program, Section 4, paragraph D, Inventory of Radioactive Material

2. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: Inventory Adjustment Research (IAR), paragraph 2.1.1.2

3. DLAI 4145.8, Radioactive Commodities in the DoD Supply System, paragraph 4

4. DoD 4000.25-2-M, MILSTRAP, Chapter 7, Physical Inventory Control

5. DoD 4100.39-M, FLIS Procedures Manual, Volume 6, Supply Management

6. DoD 4140.1-R, DoD Supply Chain Material Management Regulation, paragraph C5.7.5, Physical Inventory Control, and Appendix 12, Charter for the DoD Joint Physical Inventory Working Group (JPIWG)

7. DDC SWARM Inventory Control Manual

B. The Contractor shall assist the Government in any government audits as requested. The Government will use an Inventory Action Team to conduct the Semi-annual Performance Inventory (TPIC N), Chief Financial Officers (CFO) Inventory (TPIC L), the newly established cyclic inventories (TPIC D) and all annually required Controlled Item inventories, to include radioactive (TPICs G and P) physical count inventories. The Government will also establish a Quality Audit Team to consist of the Government Accountable Officer or designee, the Inventory Action Team Leader and a Contractor representative, if deemed necessary by the SP to observe the inventories.

5.4.1 GENERAL REQUIREMENTS

A. TPICs are prioritized in DSS to ensure that a NSN is not under more than one TPIC at any one time. TPICs are released in the following priority order:

PRIORITY	TPIC CODE	DEFINITION	GENERATED BY	SCHEDULED/ UNSCHEDULED
1	E	Denial Research	DSS	Unscheduled
2	T	Retention Quantity DRO for Recycling Control Program (RCP) with Multiple Owners/IMs	DSS	Unscheduled
3	N	Semi-Annual Accuracy Sample for Performance[1]	Government	Scheduled

PRIORITY	TPIC CODE	DEFINITION	GENERATED BY	SCHEDULED/ UNSCHEDULED
4	P	Pilferable Sample1	Government	Scheduled
5	L	Annual Financial Sample (Chief Financial Officer (CFO))[1]	Government	Scheduled
6	G	Controlled Item Inventories[1]	Government	Scheduled
7	M	On-hand Balance Mismatch Research	Contractor	Unscheduled
8	R	Supply Discrepancy Report (SDR) Research	DSS	Unscheduled
9	S	Intransit Research	Contractor	Unscheduled
10	V	TPIC U/Z Reject for Dollar Value	DSS	Unscheduled
11	K	Location Survey Errors	DSS	Unscheduled
12	C	Self-Analysis	Contractor	Unscheduled
13	H	Owner/IM request	Contractor or DSS	Unscheduled
14	D	Cyclic/Mock TPIC N	Government	Unscheduled
15	J	Special by KO or designee for Quantitative Location Reconciliation (QLR) Research	DSS	Unscheduled
N/A	U	Perpetual at Bin Face	DSS	Unscheduled
N/A	Z	DSS Process: Book-to-Book Error[2]	DSS	System Process

PRIORITY	TPIC CODE	DEFINITION	GENERATED BY	SCHEDULED/ UNSCHEDULED
N/A	W	DSS Process (Transmission of History-QLR)[2]	DSS	System Process
N/A	X	KO or designee QLR Request-Additional History[2]	DSS	System Process
[1] The Government will conduct TPIC L, N, D (Cyclic), and P (Pilferable) physical counts. The Contractor shall provide the government with the appropriate MHE necessary to conduct the TPIC L, N, D, and P inventories. The Contractor shall conduct any causative research requirements resulting from the TPIC L, N, D, and P inventories.				
[2] TPICs Z, W and X are DSS processes - no physical inventory is required.				

B. The Contractor shall maintain the accountable record for all material in storage in support of customer requirements and readiness. The Contractor shall monitor physical inventories, location surveys, and perform research and reconciliations to correct accountable record imbalances and prevent potential denials. The Contractor shall also identify repetitive processing errors and help resolve problems in supply system work processes.

C. The Contractor shall inventory material IAW the requirements in the following paragraphs:

5.4.1.1 DISTRIBUTION STANDARD SYSTEM (DSS) INVENTORIES

A. DSS will generate the TPICs annotated as DSS generated in the table in paragraph C-5.4.1, General Requirements. The Contractor shall generate TPICs not automatically generated by DSS. The Contractor shall assign an Inventory Cut-Off Date (ICOD) when not assigned by DSS, which determines the date the inventory is released from the workload bank. The Contractor shall perform the following inventories within 15 calendar days from the date the inventory is established in DSS:

TPIC	DEFINITION
TPIC C	Self-Analysis
TPIC E	Denial Research
TPIC H	Owner/IM Request
TPIC J	Special by owner/IM for QLR Research
TPIC K	Location Survey Errors
TPIC M	On-hand Balance Mismatch Research
TPIC R	SDR Research

TPIC	DEFINITION
TPIC S	Intransit Research
TPIC T	Retention Quantity DRO for RCP with Multiple Owner/IMs
TPIC V	TPIC U/Z Reject for Dollar Value

B. The Government will perform the physical count for TPIC P used for Sample Inventory for Pilferable Material to meet the annual random sample inventory requirements. The Contractor retains the ability to perform self analysis to determine the overall accuracy of their records using TPIC C or TPIC P sample inventories except during the normal semi-annual TPIC N, which normally occurs in February and August of each year. The Government is responsible for conducting the annual pilferable sample inventory requirements and has priority over the Contractor generated TPIC C or TPIC P inventories. The Contractor shall coordinate the scheduling of Contractor generated TPIC C or TPIC P inventories with the KO or designee to mitigate any confusion.'

C. The Government will perform the physical count for all TPIC G, Controlled Item Inventories, to meet the annual wall-to-wall inventory requirement IAW DoD 4000.25-2-M, MILSTRAP, Chapter 7, Physical Inventory Control, paragraph C7.3.3.1. The Contractor retains the ability to perform self analysis using TPIC G inventories for controlled items and non-controlled items. The Government is responsible for conducting the annual wall to wall inventory requirements and has priority over the Contractor generated TPIC G inventories. The Contractor shall coordinate the scheduling of the Contractor generated TPIC G inventories with the KO or designee to mitigate any confusion between the Government and Contractor generated TPIC G inventories. The Government will perform 100% inventory on the following items:

- Designated by DoD or DoD components
- CIIC items other than CIIC U, 7, or blank codes

D. The Government will perform the physical count for cyclic inventories using TPIC D to verify the accuracy of inventory quantity data by counting portions of the inventory on an ongoing basis. The Government will count every high dollar item (greater than $1,000) at least once every two years and other material once every three years.

E. The Contractor shall perform TPIC U, Perpetual at Bin Face, inventories immediately. DSS will not permit the pick action to occur until the TPIC U inventory is completed. When the TPIC U inventory is conducted, if the count does not match the accountable record, and the adjustment is greater than the designated auto adjust level in value, DSS will generate and the Contractor shall perform the TPIC V inventory.

F. For physical inventory counts the Contractor is responsible for conducting, the Contractor shall perform the 1st count of the physical inventory, including verifying the NSN, nomenclature, on-hand quantity, unit of issue, CC, and location, and entering the results into DSS. Once the 1st count is entered into DSS for all inventories, DSS systemically performs a Post-Count Validation for uncontrolled items as follows:

1. For Uncontrolled Items:

   - If the 1st physical count matches the DSS accountable record, the inventory is closed in DSS.

   - If the 1st physical count does not match the DSS accountable record but the adjustment is less than the designated auto-adjust level in value, the inventory is closed in DSS.
   - If the 1st physical count does not match the DSS accountable record and the adjustment would be greater than the auto adjust level in value, DSS generates a 2nd count requirement.

2. For Controlled Items: (Other than those performed by the Government- TPIC D, G, N, L, or P)

   - If the 1st physical count does not match DSS accountable records, DSS will generate a 2nd physical count requirement.

G. A different Contractor individual shall perform the 2nd physical count requirements generated by DSS for uncontrolled and controlled items. Once the count is entered into DSS, DSS systemically performs a Post-Count Validation and generates an Inventory Evaluation Research List (IERL) for all of the following:

- Potential uncontrolled item adjustments > $1,000 and < or equal to $5,000 that have a unit variance of > 10%.
- Potential uncontrolled item adjustment > $5,000
- Potential uncontrolled item adjustments > $1,000 and < or equal to $5,000 and < or equal to 10% quantity variance.

5.4.1.2 RESEARCH OF POTENTIAL OR ACTUAL PHYSICAL INVENTORY ADJUSTMENTS

A. The Contractor shall use the IERL to perform Pre-Adjustment Research to review the potential inventory adjustments due to differences between the count and the recorded balances. Only Contractor personnel trained in the inventory processes shall apply in-float controls, and conduct pre-adjustment research, which includes the determination to accept the 2nd physical count or conduct a 3rd count. The Contractor shall compare the adjusted count with the balance maintained by the Contractor to determine the potential variance. The primary focus of this research is in-float transactions and cataloging data. If the 2nd count is accepted, DSS will automatically record the date of the last inventory on the DSS Owner Asset Display. The Contractor shall perform a 3rd count on all controlled item inventories prior to any adjustments being made to the accountable record. The Contractor shall also perform a 3rd count on items meeting any of the following criteria:

1. The 1st count and the 2nd count do not match and the on-hand balance is not impacted by the difference between the 1st and 2nd count, and a variance for 2nd count other than zero exists. (Variance is not caused by in-float)

2. The SUM VAR/Cumulative Adjustment (CUM ADJ) was zero for 1st count and a quantity for 2nd count exists

3. Count error is suspected

B. The Contractor shall notify the KO or designee immediately if there is a potential adjustment for any NSN that exceeds $500,000 or is identified as radioactive, or the CIIC identifies it as sensitive. The Government will be responsible for completing adjustments that exceed $500,000. The KO or designee will notify if further action is required by the Contractor for adjustments over $500,000.

C. DSS will generate an IAV for all items that meet the mandatory causative research requirements. Causative research criteria are based on the CIIC (see DoD 4100.39-M, FLIS Procedures Manual, Volume 10, Multiple Application References/Instructions/Tables and Grids, Table 61, Controlled Inventory Item Codes), dollar value, and unit variance. These codes, along with other variables, are used to determine the need for causative research, which is included in the DSS logic to generate the IAV. The IAV initiates the causative research process.

D. The Contractor shall perform causative research for inventory adjustments included in the table below, regardless of the TPIC inventory that identified the discrepancy. The Contractor shall review transaction documentation, which includes supporting source documentation, catalog change actions, shipment discrepancy files, and un-posted, rejected or violated transactions since the last completed inventory where causative research was conducted, or two years, whichever is sooner. The Contractor shall attempt to resolve the discrepancy to accurately reflect physical action in asset management and financial data. The Contractor shall enter the information discovered during the causative research process on the IAV in DSS. The Contractor shall prepare a causative research package to document the results of the research. The Contractor's causative research package shall include:

1. The completed IAV

2. A detailed description of the identified cause of the discrepancy

3. Corrective action taken

4. All supporting documentation

E. The Contractor shall forward all completed causative research packages to EDMS for electronic retention. If the causative research process reveals the adjustment (from the pre-adjustment research process) was caused by an improperly posted transaction, the Contractor shall process a reversal transaction to allow the proper posting of the correct supply transaction. The Contractor shall reverse a physical inventory adjustment by posting a credit loss or gain transaction. The Contractor shall not reverse adjustments by posting an offsetting adjustment. The Contractor's causative research package (IAV) shall provide the documentation to support the reversal. The Contractor shall conduct a separate review of all causative research and its findings to verify that all pertinent transaction files, records, and documents were evaluated during the research process. The Contractor shall have the Researcher, First Line Supervisor and Site Manager or Alternate Site Manager sign the printed IAV and forward to the KO or designee, along with the causative research package

for acceptance/signature. The Contractor shall submit the IAV to the KO or designee within 30 calendar days from the date the adjustment is posted. The KO or designee will review and accept the IAV within 15 calendar days. The IAV is closed when the KO or designee accepts/signs the IAV package. If during the KO's or designee's review and approval/signature process, it is determined the IAV research is insufficient, the Contractor shall perform additional research and re-submit the IAV package to the KO or designee for acceptance/signature within 15 calendar days from notification of additional research requirements.

F. For those inventory actions that do not meet causative research (IAV) criteria, DSS will generate a Consolidated Adjustment Voucher (CAV) at the end of each month. The CAV is printed from the Causative Research Monthly Reports, IAV Summary and Detail Listing. The Contractor shall print and review this report on the first day of each month for the previous month for adjustments that will not be accepted without further research (e.g., possible pilferable items, repetitive errors). The Contractor shall submit the reviewed CAV report with their annotations of adjustments that require additional research to the KO or designee within 30 calendar days of the creation of the CAV. The KO or designee will review to verify all adjustments that will not be accepted have been annotated, sign the CAV report and return to the Contractor within 15 calendar days. Within five working days of receipt, the Contractor shall change the research codes on those annotated adjustments from "V" to "M" and reprint the report. The Contractor shall sign the reprinted report and submit to the KO or designee for approval/signature. The research codes on adjustments changed to "M" will generate a causative research package. The Contractor shall perform the necessary steps to complete the causative research package and submit to the KO or designee.

G. The following table synopsizes the minimum research requirements that the Contractor shall accomplish for physical inventory adjustments:

MINIMUM RESEARCH REQUIREMENTS FOR POTENTIAL OR ACTUAL PHYSICAL INVENTORY ADJUSTMENTS					
CONDITION OF DISCREPANCY		**REQUIRED RESEARCH**			
		Post Count Validation	**Pre-Adjustment Research**	**Causative Research**	**Type of Voucher**
1.	< $1,000	NO	NO	NO	CAV
2.	> $1,000 but < $5,000 and < 10% unit variance	YES	NO	NO	CAV
3.	> $1,000 but < $5,000 and > 10% unit variance	YES	YES	NO	CAV
4.	> $5,000 but < $16,000 and < 25% unit variance	YES	YES	SAMPLE1	IAV

MINIMUM RESEARCH REQUIREMENTS FOR POTENTIAL OR ACTUAL PHYSICAL INVENTORY ADJUSTMENTS					
5.	> $5,000 but < $16,000 and > 25% unit variance	YES	YES	YES	IAV
6.	> $16,000	YES	YES	YES	IAV
7.	Controlled Inventory Item	YES	YES	YES2	IAV
8.	Suspected Fraud, Waste, or Abuse	YES	YES	YES	IAV
[1] If not selected as part of a sample population, the type of voucher is a CAV.					
[2] The Contractor shall conduct causative research on all adjustments (gains and losses) of pilferable items with an extended value greater than $2,500, and all adjustments with an extended value of greater than $16,000 or greater than 25% unit variance and greater than $5,000.					

NOTE: Additionally, DSS generates IAVs for a 10% random sample research status code "S" for all uncontrolled inventory adjustments that do not meet the criteria for causative monthly research. The Contractor shall also perform causative research for these IAVs in accordance with mandatory IAV requirements.

H. IAW DoD 4140.1-R, DoD Supply Chain Material Management Regulation, the Contractor shall not use personnel performing general receiving and storage functions to conduct pre-adjustment research, post count validation, and the performance of formal and informal 3rd counts. This practice assists in ensuring that no single individual can adversely affect the accuracy and integrity of the inventory.

5.4.1.3 ITEM DATA MAINTENANCE

A. FLIS is the central repository for all management data that defines an NSN. Owners/IMs update FLIS and FLIS feeds DSS, which uses the item data to determine correct type storage such as secured and hazardous storage requirements, unit of issue, price, CIICs and schedules for surveillance of SLCs. DSS will receive and post the stock number attribute modifications. The timeliness and validity of data maintenance impacts record accuracy, MRO fill capability and overall performance.

B. When notified through DSS, the Contractor shall apply real time physical updates to NSN attributes at the bin face to change material identification, unit of pack and unit of issue.

C. The Contractor shall maintain site records of NSNs, Local Stock Numbers (LSNs), CAGE and part numbers, and service unique stock numbers as follows:

1. Designate individuals to maintain item data records to the KO or designee.

2. Maintain Quantity by Site (QBS) records using the R7AL screen in DSS.

D. In addition to the above, the Contractor shall also maintain global records of LSNs, CAGE and part numbers, and service unique stock numbers through the following (NOTE: DSS provides a separate program in R7AB to maintain these records):

1. Maintain LSN, CAGE and part numbers, and service unique stock numbers in records on the Quantity by Global (QBG).

2. Accomplish the necessary physical changes on the material for item data changes (e.g., stock number, Federal Supply Class (FSC), unit of issue, SLC, stock item code, CIIC changes and Manager RIC). The Contractor shall update freight data when available to provide efficiency to the rate and bill process for Transportation

3. Coordinate with owners/IMs to accomplish necessary changes, review the CAGE and part numbers in FLIS and convert to a NSN when possible.

4. Monitor corrections to owner/IM records based on DZG rejects. The Contractor shall research the rejects to determine the transaction that originally placed the material in the incorrect owner's account and make the necessary corrections. If no transaction can be determined, the Contractor shall notify the KO or designee, who will change the owners'/IM's balances without a transaction to the owner/IM in the DSS screen P8BZ.

5. Comply with policy guidelines established in the DSS Manual and DoD 4100.39, FLIS Procedures, Volume 4: Item Identification, when updating global records and owner/IM balances due to re-identification and stock number changes.

5.4.1.4 LOCATION SURVEYS

A. The Contractor shall conduct location surveys, which are physical verifications between assets that are physically in location and recorded in the locator record data contained in DSS. The Contractor shall prepare and submit to the KO or designee an annual schedule for location surveys to be performed each month. The Contractor shall perform the location surveys IAW the Location Survey Schedule submitted 30 calendar days prior to the conclusion of the phase-in period to cover from the start of full performance to the 30th of September. The Contractor shall submit the Location Survey Schedule thereafter by the 1st of October of each year. The Contractor shall provide justification for deviating from the submitted schedule to the KO or designee by the 2nd working day of each month for the remaining months during the performance period. The Contractor shall perform locations surveys using any of the following methods:

1. A complete location survey of all locations, or

2. A statistical sampling methodology that includes all locations in the sub work area and has a probability of selection, or

3. A combination of complete and statistical sampling

B. The Contractor shall schedule surveys so that each survey batch is completed and the records are updated within 24 hours from the beginning of the survey.

C. In addition to the annual requirement, the Contractor shall conduct a location survey in both gaining and losing storage areas following the accomplishment of either Contractor initiated

or government directed re-warehousing projects. A location survey conducted as a result of rewarehousing projects may be considered to have satisfied any open annual survey requirement providing the survey was properly entered and completed in DSS.

D. Only one error per stock number per location is charged when a location delete or a location established or a location correction is required for the same location. When a discrepancy is identified during the survey for Type I (locator record deleted) and Type II (locator error established) errors, as defined in DoD 4000.25-2-M, MILSTRAP, paragraphs C6.6.1.2.1 and C6.6.1.2.2, the Contractor shall conduct prompt research to determine if the discrepancies are valid. A TPIC K is initiated in DSS when, during acceptance of the survey, valid Type I and Type II errors are input.

E. The APL for location accuracy rate is 99.5%. If a sample survey is conducted, the Contractor shall accept the statistical sample only if the accuracy rate, as a result of the location survey, is 99.5% accuracy of location data. If the accuracy rate of the sample survey is below 99.5%, the Contractor shall accomplish a 100% wall-to-wall survey of the sub-work area(s) sampled.

5.4.2 ADDITIONAL REQUIREMENTS:

The Contractor shall perform the additional requirements for inventory of material as described in the following paragraphs:

5.4.2.1 HAZARDOUS MATERIAL (HAZMAT)

A. To ensure the maximum correct storage controls and protection of the workers, the Contractor shall complete and maintain a HAZMAT/chemical inventory consisting of the same product identity as specified on the MSDS, the quantity on hand, and the date the inventory was established. The Contractor shall revise the HAZMAT/chemical inventory as often as needed depending on the severity of the hazardous chemicals and specific control requirements as delineated in 29 CFR, Part 1910, subpart Z, Toxic and Hazardous Substances.

5.5 ISSUE

A. DDKS processes all issues for distribution of material to a variety of commercial and government customers. Characteristics of material issued are included in paragraph C-2.1.1, Characteristics of Material Processed. The Contractor shall perform the issue of material IAW TE 5.1, APLs. To ensure the Issue APLs in TE 5.1 for High Priority and Routine MROs are met, the Contractor shall:

1. Complete all high priority issues the same day as received. If the Contractor is unable to complete these issues the same day as received, all aged high priority issues shall be completed before processing any new issues.
2. Complete all routine MROs within three (3) days. The Contractor shall complete all aged routine priority issues before processing new routine issues.
3. Review the SGT-6 Summary Late Line Report daily and research and resolve aged MRO/RDO/DROs IAW C-5.5.1.10 Traffic Management.

B. The issue process begins with the receipt of MROs, DROs, RDOs and non-automated requirements such as those contained on a DD Form 1149 or a DD Form 1348-1A for

shipments/local delivery. The process ends for on-base deliveries when the material is delivered and the Contractor scans the manifest into the Automated Material Tracking System (AMTS) for DSS deliveries or the customer signs the delivery document for confirmation of delivery. The process ends for off-base deliveries when the carrier signs the Bill of Lading.

5.5.1 GENERAL REQUIREMENTS

A. The Contractor shall issue material for all on and off base transactions. The Contractor shall coordinate workload, expedite high priority issues, schedule deliveries and issue the correct material in the correct quantity and CC so the material and supplies ordered are received by the customer where and when they are needed and IAW the APLs. If an MRO is received for issue of material to a Foreign Military Sales (FMS) customer, the Contractor shall process the MRO as a denial and notify the KO or designee.

B. The Contractor shall establish a location where customers can wait to pick-up and take receipt of the material requisitioned. The Contractor shall publicize this location to local customers.

C. The Contractor shall issue material IAW the requirements in the following paragraphs:

5.5.1.1 PROCESSING MATERIAL RELEASE ORDERS (MROS)

A. The Contractor shall use the Production, Planning and Control (PPC) application of DSS to develop MRO cycles. Cycles can be automatically planned and released to occur multiple times throughout the day to release existing workload from the Military Services' material management and logistics systems. The Contractor shall coordinate the MRO cycle schedule and any cycle change requests with the KO or designee.

B. Every MRO cycle and every DSS wrap-up cycle generates rejects, violations and cancellation requests as they occur. IAW DoD 4000.25-1-M, MILSTRIP, MRO violations include, but are not limited to, incorrect unit of issue, blank ship-to designation, improper or blank signal code, and bad ship-to DoDAAC. Reasons for the violations are defined in the DSS code screen. The Contractor shall clear, correct, and release these violations IAW DSS Manual, Chapter UM16. After each cycle, the Contractor shall use DSS generated listings of reject, violation, and cancellation requests to include but not limited to Frustrated Shipments, Invalid Shipment Unit Route Code (SURC)/DoDAAC/Port, Transportation Violations, and Air Challenges, and make every effort to research and correct rejects and violations and process cancellation requests prior to the next cycle. Those not completed prior to the next cycle shall be completed as soon as possible to meet the APLs.

C. The Contractor shall receive MROs, DROs, RDOs, and special requests through DSS, and non-automated requirements and exception data for existing MROs from owners, IM's, and DRMS by facsimile, telephone, email, message, in person, or by any communication source that is capable of containing supply data. The Contractor shall process off-line requests containing the required MILSTRIP data as follows:

1. Manually generate MROs using the DSS On-Line MRO Processing Option (SMOK) screen (see DoD 4000.25-1-M, MILSTRIP, Chapter 3, Requisition Processing and Related Actions, paragraph C3.15, Preparing Material Release Orders, and Appendix 3.12, Material Release Order/Follow-Up for Material Release Order/Lateral Redistribution Order). Assign a DSS local delivery priority code to any MRO going to a

local customer that aligns with the customer provided priority number or IPD. Any local customer requisition without a delivery priority number or IPD will be assigned a W delivery code, unless otherwise advised by the customer prior to release. Any requisition without an IPD will be processed using the criteria for IPD 4-15 in the DSS Local Issue APL Table. The Contractor shall have knowledge of the A5_/A2_ format and its elements in order to process and create the DD Form 1348-1A IAW DoD 4000.25-1-M, MILSTRIP, Chapter 3, Requisition, Processing, and Related Actions, paragraph C3.15, Preparing Material Release Orders, and Appendices 3.12 and 3.13. The Contractor shall input the correct MILSTRIP data and any corresponding exception data, normally received via the transportation module of DSS, in A5_/A2_ format. The Contractor shall coordinate with the requisitioner, their representative, or the owner or IM to validate data prior to releasing the MRO if the information received is not clear or appears to be incorrect. The MRO exception data may identify special handling requirements that include but are not limited to, required delivery date (RDD), serial number requirements, or contract requirements.

2. Review and release emergency request transactions on the Process MROs from the ICP (SMA6) screen in DSS. The Contractor shall coordinate with the owner/IM to validate exception and address data prior to releasing the MRO if the information received is not clear, appears to be incorrect, or is missing.

3. Respond to customer requests to change delivery requirements such as changing the material destination or expediting in-process shipments for existing MROs. If a request to expedite is received from the customer or owner/IM or exception data is received for an existing MRO, the Contractor shall locate the material and make adjustments to the MRO as directed. The MRO exception data may identify special handling requirements that include, but are not limited to, change to the RDD or mode of shipment, serial number requirements, or contract requirements.

D. The Contractor shall process out-of-cycle requisitions including, but not limited to, performing the following services:

1. Same/next day receipt by customer
2. Deliveries to a carrier's facility for transportation (i.e., FedEx)
3. Deliveries to a military facility for transportation
4. Priority services (which exceed normal mission processing standards) for special requests and transshipments, include but are not limited to processing:

   - Walk-thru requisitions (see above paragraphs for manually generated MROs)
   - Not Mission Capable Supply/Partially Mission Capable Supply (NMCS/PMCS)
   - Not Operational Requisition Supply/Anticipated Not Operational Requisition Supply (NORS/ANORS)
   - Casualty Reports (CASREP) material
   - Mission Capable (MICAP)
   - Aircraft on Ground (AOG)
   - Designated Project Codes
   - Expedited Next Day Air

E. The Contractor shall process out-of-cycle requisitions containing the required MILSTRIP data as follows:

1. During the Contractor's duty hours:

   (a) For requisitions classified as "immediate" that are for DLA-owned material, the Contractor shall pass the requisition to the applicable DLA Customer Interaction Center (CIC) for approval. The CIC will enter the data into DSS and release the order to DDKS. If DSS is down, the CIC will notify DDKS by facsimile or phone of approval to release the stock.
   (b) For requisitions classified as "immediate" for Military Service Owned Material, the Contractor shall input the data into DSS and release the order for processing.
   (c) For requisitions classified as "routine" the Contractor shall input the data into DSS for release during the next scheduled batch cycle.

2. After the Contractor's duty hours:

   (a) For requisitions classified as "immediate" for DLA-owned material, the Contractor shall pass the requisition to the applicable DLA CIC for approval. The CIC will enter the data into DSS and release the order to DDKS. If DSS is down, the CIC will notify DDKS by facsimile or phone of approval to release the stock.
   (b) For all requisitions classified as "immediate" for Military Service owned material, the Contractor shall input the data into DSS and release the order for processing.

F. The Contractor shall establish an MRO queue monitoring system to extract MROs received after normal duty hours and process the requisition to meet the APLs located in TE 5.1.

G. The Contractor shall respond to customer requests to change delivery requirements such as changing the material destination or expediting in-process shipments for existing MROs. If a request to expedite is received from the DDC Customer Support Team, the DLA CIC, the customer or owner/IM, or exception data is received for an existing MRO, the Contractor shall locate the material and make adjustments to the order as directed. The MRO exception data may identify special handling requirements that include but are not limited to, change to the RDD, delivery location, mode of shipment, serial number requirements, or contract requirements. The Contractor shall respond to the DLA CIC, DDC Customer Support Team, CCC Staff, owner, IM or customer during both duty and after duty hours as required to provide expedited services or perform research of MROs.

H. During normal business hours, the Contractor shall process Bearer walk-through requisitions in DSS within five minutes of receipt from the KO or designee. Requisitions may be received via phone, email, facsimile, or hardcopy. The Contractor shall complete these issues within two (2) hours from the time of receipt of the document until the material is available for pick-up (see TE 5.1 APLs).

5.5.1.2 STOCK SELECTION

A. The Contractor shall select the required stock and perform all physical handling and movement of material from the point of storage, or to and within the shipment preparation, packaging, or assembly/disassembly areas, IAW DoD 4140.1-R, DoD Supply Chain Material Management Regulation.

B. During the stock selection process, the Contractor shall:

1. Select the correct NSN, quantity, CC and unit of issue as specified on the issue document. Typical units of issue include, but are not limited to, each, box, hundred, roll, reel, dozen, and feet. This may require the Contractor to remove banding or strapping, open containers, measure and cut material, reseal containers, and/or re-palletize material. The Contractor shall pack the material IAW paragraph C-5.5.1.8, Shipment Preparation for Issues to Off-Base Customers.

2. Select material based on exception data and customer specific requirements such as, but not limited to, selecting by serial number, contract number, lot number, color, or manufacturer.

3. Perform a perpetual inventory at the bin face when prompted by DSS.

4. Perform manual allocations when DSS is down (see paragraph C-5.1.3.1, DSS).

5. If stock is bound for an OCONUS destination or to a customer with the possibility of further movement, select stock that is WPM compliant or flag non- compliant WPM and perform packaging IAW C-5.6 Packaging, or repalletization IAW C-5.8.3, Repalletization, using the provided non-reimbursable JON.

6. If stock is bound for a CONUS destination without possibility of further movement (e.g, maintenance customers, disposal shipments), select stock that is not WPM compliant first, leaving the compliant WPM for OCONUS shipments.

7. Select shelf-life material utilizing the expiration date and the First-In, First-Out (FIFO) principle and applicable FIFO exceptions IAW DoD 4140.27-M, Shelf-Life Management Manual, Chapter 5, Requisitioning, Issue and Shipment.

8. Select service specific NSNs IAW customer requirements.

5.5.1.3 DENIAL RESEARCH

A. The Contractor shall perform denial research on all potential denials IAW DoD 4000.25-2-M, MILSTRAP, Chapter 7, paragraph C-7.4, Research of Potential or Actual Physical Inventory Adjustments; and the SWARM Inventory Control Manual; if requisitioned stock is not available to satisfy the customer requisition. Examples of reasons for a denial include, but are not limited to, material not being available in the requested quantity, CC, shelf-life requirements and continuous length. The Contractor shall review the appropriate DSS batch reports to identify all potential denials to include in-line denials, warehouse denials, pack denials, and awaiting stow denials. The Contractor shall research all denials and initiate corrective action as appropriate upon completion of denial research.

B. The Contractor’s denial research process shall include:

1. All efforts to locate material after initial efforts result in complete or partial shortage of the quantity or CC required to fill a MRO, DRO, or RDO, including, but not limited to, a physical search of storage areas around the current location, checking previous locations, and reviewing transaction histories.

2. DSS Record research of locations to accurately process denials and allocate MRO.

3. Performing research in connection with partial and total quantity denial actions to include reviewing owner history to determine and apply the correct Error Classification Code (ECC).
4. Processing stock record corrections in connection with all denial actions.

5. Accomplishing the research of all potential denials: 1) within four calendar days; 2) prior to processing a manual partial or total MRO denial; and 3) prior to the point at which DSS generates an automatic denial. All MRR record type potential denials not denied or allocated within 4 days will be systematically denied.

5.5.1.4 ISSUE CANCELLATIONS

A. An issue cancellation is a notification from the requisitioning owner or IM to cancel the original MRO, DRO, RDO and stop all shipping procedures. The Contractor shall be notified of the issue cancellation via facsimile, telephone or DSS. The Contractor shall input into DSS those authorized cancellation requests received by facsimile or telephone. The Contractor shall take all necessary actions to stop the shipment prior to carrier's acceptance, locate the cancelled material, return the material back to storage and input all DSS transactions. This may include unpacking material, removing the cancelled quantity and repackaging the remaining quantity to ship. If the material is already loaded on the conveyance, the Contractor shall request KO or designee determination for removal of the cancelled material.

5.5.1.5 INCOMING SUPPLY DISCREPANCY REPORT (ISDR) RESEARCH (TYPE 7 DISCREPANCY)

A. ISDRs (Type 7 Discrepancy) are submitted by the customer to the Depot to identify discrepancies as a result of a shipment from DDKS. ISDRs (Type 7 Discrepancy) may include overages, shortages, wrong material, expired shelf-life, misdirected shipments, incorrect unitization, and improper packaging, marking and labeling. DSS and WebSDR will assign a new Type Code for the submitted ISDR based upon the redistribution category.

B. Customers will submit ISDRs (Type 7 Discrepancy) electronically via the WebSDR program other acceptable electronic program as outlined in the DLAI 4140.55, Reporting of Supply Discrepancies, or in hard copy to the Contractor. The Contractor shall input all ISDRs (Type 7 Discrepancy) received in hard copy into the WebSDR program. All ISDRs (Type 7 Discrepancy) are established, updated, monitored, and resolved electronically. The Contractor shall monitor the ISDR application of DSS and resolve all ISDRs (Type 7 Discrepancy) within 25 calendar days. .

C. The Contractor shall research all ISDRs (Type 7 Discrepancy) IAW DLAI 4140.55, Reporting of Supply Discrepancies, to determine the cause of the discrepancy, including, but not limited to, checking physical locations, conducting a physical count, reviewing shipping and receiving transactions, reviewing transportation records, checking for POS and analyzing internal processes.

D. After completing the research, the Contractor shall document the findings and recommend corrective actions in the ISDR application of DSS. If the ISDR (Type 7 Discrepancy) was sent to DSS by a customer electronically through WebSDR, the recommended corrective actions entered into the ISDR application of DSS will be electronically sent to the customer.

For ISDRs (Type 7 Discrepancy) associated with DLA owned material, the Contractor shall reship material, only if requested to do so by the customer, based on research findings. If the customer does not request a reshipment, a credit shall be provided. For Military Service-managed material, the Contractor shall coordinate with the owner or IM for approval to reship the material if research reveals there is a shortage and the customer indicates there is a need. This does not apply to FMS, which may not be reshipped. The Contractor shall adjust the accountable records as appropriate based on research findings.

E. ISDRs (Type W Discrepancies) are created by transshipment ports when material is received in non-WPM compliant wood or when HAZMAT documentation is missing. Complaints will be sent through WebSDR email to the Contractor's SDR POC. The Contractor shall complete these ISDRs and respond via email with disposition within five calendar days of receipt.

5.5.1.6 RESERVED

5.5.1.7 ISSUES TO DEFENSE REUTILIZATION AND MARKETING OFFICE (DRMO)

A. IAW DoD 4160.21-M, Defense Material Disposition Manual, the Contractor shall process DROs received from the owners and IMs, RCPs, Maintenance Activities or created locally.

B. The Contractor shall coordinate with DRMO to arrange for turn-in delivery appointments IAW the instructions provided at http://www.drms.dla.mil, under Special Programs/MEO/Procedures. The Contractor shall identify and maintain control of all material until the material has been physically moved from DDKS.

C. The Contractor shall prescreen all property destined for DRMO to meet DRMO's requirement (e.g., certifications, disposition instructions, DEMIL instructions, etc.). If an item is capable of containing ammunition, the Contractor shall perform the inert certification process regardless of DEMIL code, including but not limited to such items as ammunition boxes, demolition kits, gun barrels, loaders, magazines, and clips.

D. The Contractor shall process non stock listed items (items not identified with an NSN including kits) by identifying these transactions in the DSS Bank and coordinating with the owner/IM to obtain appropriate documentation necessary to properly identify the asset.

E. When a DRO is received for less than the total quantity of material in storage, the Contractor shall fill the DRO with the poorest quality stock at the location. The Contractor shall use the following criteria in selecting the poorest quality stock: material in improper packaging, deteriorated packaging, oldest date of pack, and material stored outside.

F. When the Contractor is notified by DRMO of a scheduled pick-up, the Contractor shall stage the material and assist the customer during the pick-up process, which may include but is not limited to escorting the customer to the material location and verifying the quantities identified for pick-up.

G. When instructed, the Contractor shall transport HAZMAT to the DRMS-I. When turn-in requires transportation over public highways, the Contractor shall package the material in approved containers and properly placard the vehicle IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 202, Cargo Routing and Movement, and all other State, federal and local regulations.

I For material rejected by DRMO on the DRMS Form 917, the Contractor shall research the discrepancy, determine corrective actions, and reprocess the material as required to comply with DoD 4160.21-M, Defense Material Disposition Manual. If the discrepancy was due to Contractor processing, the Contractor shall correct the discrepancy, which may include, but is not limited to, providing missing or correct documentation, DEMIL instructions or certifications, and send the material back to DRMO. If the discrepancy was not due to Contractor processing, the Contractor shall process a return receipt of the material back to the original owner or IM's accountable record in CC K. The Contractor shall prepare and submit an SF 364 for each line item being returned to record.

J The Contractor shall correct packaging discrepancies on material designated for disposal to comply with applicable regulations for HAZMAT or to comply with owner or IM instructions. IAW DLAI 4145.4, Stock Readiness, when material destined for disposal is packed in a LLRC the Contractor shall contact the owner or IM before completing the DRO to determine if the owner or IM wants to retain the containers.

5.5.1.7.1 AMMUNITION, EXPLOSIVES, AND DANGEROUS ARTICLES (AEDA)

A. Prior to stock selection, the Contractor shall validate appropriate inert certification. If the certification is not valid or is missing from either the DD Form 1348-1A or the material, the Contractor shall perform a visual inspection and update or create certification documentation IAW paragraph C-5.2.2.1, AEDA. The Contractor certifier and verifier shall also submit a statement as part of the turn-in document as follows:

1. "We certify that the item or items listed hereon have been visually inspected and to the best of our knowledge and believe contain no items of a dangerous or hazardous nature."

B. The Contractor shall attach the original, signed inert certification to the material and attach a copy of the signed inert certification to the DD Form 1348-1A before issuing the material to DRMO.

C. If inert certification is required and cannot be completed through a visual inspection or the material is questionable, the Contractor shall cancel the DRO in the DSS Bank, downgrade the material to CC J and prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM. The Contractor shall perform disposition instructions upon receipt.

5.5.1.7.2 RESERVED

5.5.1.7.3 COMPUTER HARD DRIVES

A. The Contractor shall receive DROs for computer hard drives that require disposal. The Contractor shall inspect, remove and certify that computer hard drives have been removed and sanitized IAW DoD 4160.21-M, Defense Materiel Disposition Manual. The Contractor shall:

1. Remove the hard drive from the Personal Computer (PC) chassis or cabinet of any Central Processing Unit (CPU) destined for DRMO.
2. Safely destroy the hard drive by physically damaging the medium so that it can no longer be re-inserted into a functioning computer.

3. Verify that any connectors that interface into the computer are mangled, bent, or otherwise damaged to the point that the hard drive cannot be re-connected without significant rework.
4. Certify that the destruction has taken place and apply a signed label to the computer indicating the date and method of destruction. The certification shall state, "CPU contains no classified, confidential or HAZMAT" and be signed with the name and phone number of the certifying official and attached to the turn in document as well as to the material.
5. Maintain separate documentation recording the same information for a minimum of five years.
6. Suspend the computer hard-drives without a certification of being sanitized in CC K and prepare and submit to the KO or designee a DD Form 1225 (Type 5 Discrepancy) if the hard drive cannot be removed.

5.5.1.7.4 CRITICAL SAFETY ITEMS (CSI)

A. When a DRO is received, the Contractor shall securely fasten a placard to the CSIs stating, "CSI-DESTRUCTION REQUIRED." The Contractor shall provide the KO or designee a monthly report for all CSIs sent for disposal (see Section C-6.6.1, Monthly Reports, Report Number 005, Classified and CSI Material Disposal Report).

5.5.1.7.5 DEMIL

A. Visibility of DROs for DEMIL Codes F, G, and P is available through QMF Windows. The Contractor shall use the QMF queries to identify DROs for material "DEMIL F, G, P".

B. All DEMIL code "F" items the Contractor shall research to determine if Demilitarization Instructions are available. The Army Electronics Product Support (AEPS) website is the repository for all services of Demil code "F" Demilitarization Instructions (https://aeps2.ria.army.mil/aepshome/cfm). If instructions are not resident in AEPS, the Contractor shall cancel the DRO, downgrade to a suspended condition code, and submit a Supply Discrepancy Report (SDR) requesting the demilitarization instructions.

C. For all DEMIL G, and P items, the Contractor shall cancel the DRO, downgrade the material to CC K, and prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the owner/IM with the wording "Please distribute to a service managed facility or maintenance shop where DEMIL code requirements can be accomplished. The Contractor is not required to perform an inert certification on DEMIL G material prior to shipment to the DEMIL site. If a DEMIL G item does not have an inert certification, upon receipt of disposition instructions, the Contractor shall package the material and certify as hazardous material for shipment to the designated DEMIL site. The Contractor shall immediately report any discrepancies associated with owner/IM support or in obtaining disposition instructions to the KO or designee for resolution.

5.5.1.7.6 HAZARDOUS MATERIAL (HAZMAT)

A. The Contractor shall receive DROs for mission stock HAZMAT through the DSS system. For material held in place, the Contractor shall provide DRMO with a copy of the DD Form 1348-1A.

B. The Contractor shall comply with DoD 4160.21-M, Defense Material Disposition Manual, Chapter 3; and Military Services retention and disposal policies and procedures when preparing property for turn-in to the DRMO. The Contractor shall not transfer property

capable of spilling or leaking to the DRMO in open, broken, or leaking, containers. The Contractor shall verify that all material is non-leaking and safe to handle, and shall repackage or over pack material that is in broken or leaking containers prior to turn-in to the DRMO. The containers must be able to withstand normal handling or the turn-in will be rejected.

C. Some material, because of its peculiar nature or its potential influence on public health, safety, the environment, security, or private industry, must be disposed of in other than a normal fashion. The Contractor shall prepare these items for turn-in IAW the requirements of DoD 4160.21-M, Defense Material Disposition Manual Chapters 4 and 10. Examples of items that require special processing include but are not limited to:

1. Items containing freon or refrigerants. The Contractor shall cancel the DRO, downgrade the material to CC J, and prepare and submit a DD Form 1225 (Type 5 Discrepancy) to the KO or designee requesting distribution to a maintenance facility capable of performing the DEMIL requirement.
2. Test stands, transformers, machinery or equipment that has an oil reservoir or contains oil shall be tested for Polychlorinated Biphenyls (PCBs) prior to turn-in to DRMO.
3. Empty containers designated for disposal that previously contained HAZMAT shall be triple rinsed or the lining shall be removed and recycled as scrap metal. (NOTE: If not triple rinsed, the Contractor shall ensure these containers have all bungs, gasket seals, and covers in place and are disposed of through DRMO.)
4. Government-owned cylinders that are designated for disposal through a DRMO shall be tagged or labeled to indicate the MILSTRAP supply CC and the current contents of the cylinder; if applicable and if not already on the cylinder, DoT and Environmental Protection Agency (EPA) labels and markings shall also be applied

D. The Contractor shall check material such as, but not limited to, shelters, electron tubes, and instruments, for HAZMAT contents prior to turn-in to DRMO. The Contractor shall provide the following information upon turn-in of all HAZMAT:

1. Valid NSN
2. UN Number
3. Shipping name
4. Nomenclature as cataloged in the supply system
5. MSDS serial number or when an MSDS serial number is not available, a hard copy MSDS
6. Performance-Oriented Packaging (POP) container requirement
7. OSHA compliant chemical hazard label attached to the individual package
8. Chemical name of any hazardous contaminants and nomenclature of non-hazardous contaminants
9. Amounts of hazardous and non-hazardous contaminants based on user's knowledge or testing of the item expressed in a range of content
10. DOT shipment placards, markings and labels on all HAZMAT packages

E. If DRMO receipts HAZMAT in place, but cannot sell the material through the DRMS utilization process, the DRMO is responsible for downgrading the material to HW and disposing of this material DRMS HW disposal contracts. The Contractor is not responsible for any packaging, labeling, marking, or documentation preparation for the disposal of this material.

5.5.1.8 SHIPMENT PREPARATION FOR ISSUES TO OFF BASE CUSTOMERS

A. The Contractor shall prepare shipments to include but not limited to correcting all discrepancies associated with packing, marking, labeling, hazardous certification, unitization, consolidation and palletization, 463L palletization, and staging. When preparing material for shipment, the Contractor shall experience a wide variety of circumstances requiring a range of shipment preparation effort necessary to properly pack and protect the material shipped from DDKS.

B. The Contractor shall ensure maximization of pallet and transportation capabilities by reducing the number of less than full pallets being prepared for shipment IAW authorized weight and height. Prior to shipment, the Contractor shall consolidate material as needed at the cargo consolidation point. Upon receipt of material at the cargo consolidation point, the Contractor shall hold material for 24 hours or less in order to efficiently consolidate and prepare items for shipment IAW CENTCOM Route Plan. The Contractor shall hold material to maximize movement, minimize the number of transportation assets required, and reduce packaging materials and GFE used in shipment.

C. Except when a customer requests or DSS packing instructions require Level A or B packaging, the Contractor shall use the minimal military pack for shipment of material. The Contractor shall not downgrade packing of material for shipment that has been previously packed to Level A or B. The Contractor shall prevent non-compliant WPM from entering the Defense Transportation System (DTS), except when movement of the packaged material will only be within the United States with no possibility of further movement (e.g., disposal shipment). The Contractor shall inspect all WPM prior to shipment. If there is no ISPM 15 certification marking (IPPC Stamp), the Contractor shall repackage the material IAW C-5.6 Packaging and C-5.6.1.2 Packaging Actions Performed as not Reported Separately.

D. The Contractor shall complete packing and labeling actions in preparation for shipping material which includes attaching Military Shipping Labels (MSL), passive radio frequency (pRFID) labels, and commercial small parcel shipping labels to all material IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 208, Packaging and Handling, paragraph E, Marking and Labeling; and DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: The DLA Packaging Program. The Contractor shall generate MSLs using an Intermec 3400 Model D or Model 4100 thermal transfer printer; Intermec Part Number E01675, Color: White for label stock; and Intermec Part Number 12034112, Color: Black for ribbon. The Government will provide pRFID portals and pRFID capable printers. The Contractor shall monitor light stack behavior of the pRFID portals and report any red or not illuminated light stacks to the KO or designee. The Contractor shall order the pRFID non-printed tags/labels stock, which will be provided by the Government, through the KO or designee using Form DLA 1304. The Contractor shall include cushioning and dunnage within the pack to ensure the safe transportation of all shipments. To reduce lost shipments of multiple quantities going to the same location and to reduce DoD transportation costs, the Contractor shall, under all circumstances where requirements permit, consolidate material into a single shipping container to meet the APLs and delivery requirements. Exclusions to material consolidation include but are not limited to Air Force MICAPs, Navy CASREPs, Army AOGs (high priorities), time sensitive shipments, over dimensional or overweight material, sensitive material, and HAZMAT. The Contractor shall correct all discrepancies prior to completing the pack. Discrepancies include, but are not limited to, cancellations, shortages, overages, wrong stock, damaged stock, non-compliant WPM bound for an

OCONUS destination, and addressing problems. When replacing the non- compliant WPM with compliant material for stock bound for an OCONUS destination, the Contractor shall use the most economical solution that will meet the RDD.

E. The Contractor shall provide all packing and shipping supplies to include, but not limited to, all required POP certified containers, fiberboard, wood, metal, fiberglass, or other containers. This may require the Contractor to construct or obtain containers for packing that meet the requirements of the appropriate SPI, customer specific requirements, and current military specifications/standards approved for use by all departments and agencies of the DoD and/or American Society for Testing and Materials (ASTM) specifications. The Contractor shall design, plan, repair, and construct or obtain a variety of shipping containers, to include wood and fiberboard containers, crates, pallets, skids, inserts, and other required blocking and bracing devices required to support the shipment preparation process. Contractor provided containers may include containers as provided by the Government's Small Parcel Contract. The Contractor shall use only compliant WPM in the manufacture or procurement of containers and/or blocking and bracing material. In addition, the Contractor shall provide labels, dunnage, placards, safety equipment, customs and HAZMAT related forms to support the correct domestic or international transportation requirements for all shipments.

F. Packing incident to shipment is considered part of the issue process. This includes off-base transshipments packaged to minimal military pack. The Contractor shall report labor hours and material costs for packing that is performed incident to shipment that is above minimal military pack (e.g., Level A or B) IAW C-5.6.1. Reporting Requirements for Packaging Actions.

G. The Contractor shall perform packing of material incident to shipment and any additional preparation necessary for the out-bound shipment of material IAW:

1. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: The DLA Packaging Program
2. DLAI 4145.3, Preparing HAZMAT for Military Air Shipment
3. DLAI 4145.4, Stock Readiness
4. DoD 5105.38-M, Security Assistance Management Manual (SAMM), Chapter 7, Transportation
5. SWARM Warehousing Manual
6. International Air Transport Association (IATA) Publications
7. International Maritime Dangerous Goods Code (IMDGC)
8. International Standards for Phytosanitary Measures (ISPM 15): Guidelines for Regulating Wood Packaging Material in International Trade
9. MIL-HDBK 774, Palletized Unit Loads
10. MIL-STD 129, Military Marking for Shipment and Storage
11. MIL-STD 2073-1, Standard Practice for Military Packaging
12. USPS Guidance
13. 49 CFR

H. The Contractor shall palletize surface shipments IAW MIL-HDBK-774, Palletized Unit Loads. The Contractor shall unitize (palletized, bundled, skidded, or multi-packed) to the maximum extent practical, using the standard warehousing and shipping pallet, four-way entry, 40 x 48 inch, nonreversible, winged pallet. The Contractor's pallets shall conform to ASME MH1.8

Pallet, Material Handling, Wood, Stringer Construction, Two-way and Four-way (Partial), either softwood (preferred) or hardwood. The maximum weight of the load shall be 3,000 pounds; maximum height 54 inches.

5.5.1.9 TRAFFIC MANAGEMENT

A. The Contractor shall accomplish traffic management to support shipment in-transit visibility and government handling IAW:

1. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization
2. DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 201, General Cargo Movement Provisions, paragraph B, Policy
3. Host government and international transportation laws and regulations as they apply to movement of Government freight
4. Transportation contracts, tariffs, tenders, and agreements

B. The Contractor shall provide traffic management for all issue transactions and traffic management support for other federal activities, to include deployment support, on request in a manner that provides for the efficient, economical, on-time delivery of requisitioned material to customers. The Government will monitor transportation costs to ensure the Contractor's traffic management program provides economical on-time delivery. Transportation costs are the costs incurred through the shipment of requisitioned material to customers.

C. The Contractor shall submit in writing to the KO or designee prior to the conclusion of the phase-in period and when changes in personnel occur during the performance period(s), Contractor personnel nominated to act as Transportation Agents (TAs). The KO or designee will appoint TAs in writing. TA responsibilities include, but are not limited to, preparing and signing any form of Bills of Lading (BOLs), TDRs Customs Declarations Forms and Export Papers.

D. The Contractor shall be responsible for all charges incurred for carrier equipment ordered and not utilized due to Contractor error. The Contractor shall be responsible for all detention and demurrage charges incurred by the Contractor after allotted free time is exhausted as defined in, applicable contracts, tariffs, tenders and agreements.

E. The Contractor shall be fully knowledgeable in all Government and Commercial Traffic Management functions and processes. The Contractor shall be fully knowledgeable in all other aspects of the distribution operations including, but not limited to:

1. International shipping requirements, laws, and procedures
2. All applicable regulations and publications
3. Receiving, storage, inventory, packing and shipping functions

F. The Contractor shall:

1. Plan Outbound Shipping Loads. The Contractor shall plan movement of all off-base freight shipments according to commodity, size, weight, hazardous and security requirements fully utilizing the carrier's conveyance equipment when feasible.

2. Schedule movement of outbound shipments to include air, surface, small parcel, and sea IAW all applicable contracts, the Spot Bid Process, and DoD 4500.9-R, DTR, Part II, Cargo Movement. The Contractor shall schedule all outbound shipments for off-base issues/transactions, which can range from small parcel carriers, air carriers, and any carriers for LTL and TL shipments. The Contractor shall monitor scheduled shipments and make adjustments as needed.

3. Identify crane and rigging requirements to support the on-load of shipments and coordinate requirements with the KO or designee to perform.

4. Perform traffic management IAW applicable government contracts, tariffs, tenders, and agreements. The Contractor shall follow country or carrier limitations. (See TE 5.3, Contractor DSS Load and Maintain Programs).

5. Complete all required documentation and data entry functions to include all Bills of Lading (BOLs), manifests and all other forms of transportation documentation and maintain records IAW DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization.

6. Divert, reconsign, and expedite frustrated shipments. The Contractor shall process all diversions, reconsignments, frustrated, and misdirected shipments promptly. The Contractor shall coordinate with the materials owners, IMs, customers, commercial carriers and/or the KO or designee in any of these situations as required to deliver or ship the material to the proper destination. The Contractor shall process transshipments on diverted, re-consigned, or frustrated material to provide documentation to forward the material and establish a record of the Contractor's actions.

7. Use designated shipping procedures to comply with the requirements of the Air Challenge Program. The Contractor shall offer all air eligible shipments as denoted in DoD 4500.9-R, DTR, Part II, Cargo Movement, and subsequent U.S. Military Service regulations. This includes compliance with all policies and requirements set forth by the appropriate Airlift Clearance Authority (ACA).

8. Respond to customer, DDC, and DDKS inquiries on individual shipments as well as to DDC and DDKS inquiries on transportation cumulative data and trends.

9. Enter data to the appropriate commercial transportation shipping systems (e.g., FedEx, Astar/DHL, Delta/Menlo, Emery, UPS) to generate Air Bills, tracking numbers, and any customs forms for these commercial carriers.

10. Complete required booking process in IBS to offer containerized surface export shipments. The Contractor shall calculate the dimensions, cube, and weight of the total shipment to determine if a SEAVAN container or containers will accommodate the material. Upon receipt of booking confirmation from SDDC, the Contractor shall coordinate with the booking carrier to transport the SEAVAN container to the surface Port of Embarkation (POE) in time to meet the identified cut-off date. . The Contractor shall coordinate with the KO or designee if the arrival date does not meet the required delivery date. If the delivery date cannot be changed, the Contractor shall arrange for shipment through an alternate mode of transportation.

11. Review and verify the Transportation Control Movement Document (TCMD) data that is generated by DSS based on data entered for the BOL, make necessary corrections, and release the TCMD to SDDC. Advance TCMDs (ATCMDs) are processed through DSS to SDDC and are advance notice of shipments through the Defense Transportation System (DTS). For SEAVAN shipments and when requested by the port/terminal, the Contractor shall provide a hard copy TCMD. For air shipments that require ATCMD submission to the appropriate ACA, the Contractor shall prepare and submit the ATCMDs prior to forwarding the shipment to a military air terminal IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 203, Shipper Transshipper and Receiver Requirements and Procedures. The Contractor shall access and utilize DSS to review and identify all ATCMD errors as critical or informational in nature. The Contractor shall check for critical errors periodically throughout the day to preclude "no hits" at the aerial ports. ATCMDs are transmitted hourly throughout the day and ATCMD data will not be transmitted until errors are corrected by the Contractor.

12. Provide a dedicated truck service as directed by the KO or designee.

13. Control outbound truck activities which include, but are not limited to:

    a) Issuing intra-depot seals
    b) Issuing seals for over-the-road, outbound security shipments
    c) Controlling seals IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 203, Shipper, Transshipper, and Receiver Requirements and Procedure
    d) Directing and/or escorting trucks to the appropriate area
    e) Inspecting carriers for serviceability, e.g., safety hazards evident
    f) Preparing Bill of Lading and supporting paperwork IAW DoD 45009-R, DTR, Part II, Cargo Movement, Chapter 206, Bills of Lading
    g) Preparing a Correction Notice, when necessary, to document changes to Bill of Lading information IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 206, Bills of Lading, paragraphs H and M
    h) Securing carrier’s signature on the Bill of Lading-Driver sign off will be completed when the carrier's signature is secure on the Billing of Lading during the Outbound Truck Control processes. All exceptions to this policy must be approved by the KO or designee.
    i) Releasing commercial carriers

G. Research and resolve late lines. A late line results when a MRO/DRO/RDO reflects as not shipped within the required MRO/DRO/RDO processing time.

1. The Contractor shall review the SGT-6 Summary Late Lines Report daily and research and resolve each line.
2. In addition to reviewing and resolving late lines reported on the SGT-6 Report, the Contractor shall access the MILSTRIP Violation Screen (H7AC) daily to research customer follow-up transactions on open/unconfirmed material release orders. After determining the cause and resolving each follow-up transaction, the Contractor shall respond to follow-up inquiring via DSS with status code BE. The Contractor shall set

Site Facility Record on the DSS screen SAAE at 30 days for the Days Auto Response field to ensure follow-up inquiries received past the date range are sent to the MILSTRIP Violation Screen (H7AC) for research of open/unconfirmed material release order and manual response.

3. For both the SGT6-2 Report and customer follow-up transactions showing in the MILSTRIP Violation Screen, the Contractor shall determine where the problem exists, resolve the problem if it is within the Contractor's control, or notify the KO or designee if it is outside of the Contractor's control. Resolution may be obtained by full causative research, shipping the material, performing an inventory, processing a denial or recording force closure actions in DSS if research indicates material has been shipped.

5.5.1.9.1 SHIPPING

A. Shipping support includes but is not limited to: staging, hazardous certification, unitization, palletization, manifesting, and loading in a manner that assures stability of the shipment.

B. The Contractor shall:

1. Verify that all material shipped OCONUS is in WPM compliant with ISPM 15 certification markings (IPPC Stamp).
2. Consider transportation contract requirements when organizing the shipping functions (e.g., blocking, bracing and securing shipments to prevent damage during transit).
3. Consolidate off-base shipments going to the same final destination to the maximum extent possible to reduce transportation costs. The Contractor shall not consolidate MICAP, CASREP, and AOG material but ship it as a single shipment to ensure traceability of each requisition.
4. The Contractor shall provide loading support for off-base issues/transshipment transactions as follows:
   (a) When material is shipped using the current Worldwide Express (WWX) small parcel contract, the carrier is responsible for loading material onto the carrier vehicle.
   (b) When material is shipped using commercial air, the Contractor shall provide a forklift and operator to move and load shipping containers and pallets onto the conveyance.
   (c) For all other commercial carriers, the Contractor shall load shipments onto the carrier vehicle.

C. The Contractor shall input into DSS to generate vehicle load orders and process manifests, and BOLs. The Contractor shall complete all necessary export documentation and forms (e.g. commercial invoices, shipper's declarations, carrier's air-way bills) for shipments going directly to an international destination.

D. The Contractor shall affix aRFID to all shipments, except WWX Small Parcel shipments. The Contractor shall create active Radio Frequency Identification (aRFID) tags/labels store information about the contents (i.e., level six) of the container to which they are attached and can be used for multiple NSNs and shipments. The Contractor shall use Automated Manifest System (AMS) to generate/write aRFID tags/labels. When writing aRFID tags/labels, the Contractor shall include content level detail (e.g., nomenclature, stock number) IAW approved formats. AMS will automatically forward them to the regional ITV

servers for further transmission to the Global Transportation Network (GTN) and other global asset visibility systems as appropriate.

1. The Contractor shall perform collection of aRFID tags for Kuwait. The Contractor shall receive several thousand tags per month and shall reverse or remove tag batteries. The KO or designee will direct the reissue of tags, as needed, to other users such as warehousing operations, other contractors, and military units. The Contractor shall maintain an on-hand balance of 10,000 tags at all times.

2. The Contractor shall affix aRFID tags to the designated movement vehicle, freight container, unit load, transport unit, package, and/or product item. The Contractor shall update aRFID tags to accurately reflect new contents for all containers and pallets that were reconfigured. The KO or designee will furnish the Contractor with the DoDAACs that require an aRFID tag and the Contractor shall flag these customer address files in DSS.

3. The Contractor shall validate data was successful written to the aRFID tag and the tag is operational prior to shipping the material. If the aRFID tag is not operational, the Contractor shall replace the battery to make operational. The Contractor shall reutilize aRFID tags to the maximum extent possible.

E. The Contractor shall construct air pallets using DSS Transportation procedures and manuals and Air Mobility Command Instruction (AMCI) 24-101, Volume 4, and Volume 11. The Contractor shall use 463L pallets, nets, and tie-downs to prepare all material requiring air shipment IAW DLAR 4151.15, Military Airlift Management of System 463L Pallets, Nets, and Tie Down Equipment, Technical Order (TO) 35D33-2-2-2 (Pallets), TO 35D33-2-3-1 (Nets), TO 13C2-1-1 (Tie Downs). This equipment is owned and managed by the Air Force. The Contractor shall maintain an accurate accounting for all equipment at all times. The Contractor shall not modify the 463L pallets for any purpose other than preparing for and transporting cargo by airlift. (See paragraph C-3.3, GFM)

F. The Contractor shall provide shipping for other Federal activities upon customer request.

5.5.1.9.2 THEATER CONSOLIDATED SHIPPING POINT (TCSP)

A. DDKS will serve as the primary conduit for sustainment cargo (primarily Class II, III(P), IV, IX) entering theater. The Contractor shall operate a Theater Consolidated Shipping Point (TCSP) consolidating and segregating shipments from multiple sources for onward shipment directly to the customer by the appropriate conveyance. The Contractor shall process transshipments or shipments within 24-72 hours of the RCN. Specific TCSP services include but are not limited to, cargo receipt and consolidation and shipping, cross-docking operations, container receipt, unstuffing and stuffing operations, in-transit visibility, positive asset control, and transportation documentation, and aRFID tag application.

B. The Contractor shall:

1. Post the date and time for each truck and shipment upon arrival (e.g. RCN).
2. Unload inbound freight.
3. Separate and segregate inbound freight for shipment to consignees.

4. Visually inspect inbound freight to determine possible damage or repackaging requirements.
5. Repackage, pack and label material when required.
6. Consolidate material according to Supply Support Activity (SSA) or other consignee.
7. Consolidate and palletize material.
8. Prepare material in containers for shipment.
9. Load outbound freight.
10. Create aRFID Tag(s).
11. Document all inbound and outbound activity.
12. Input required transactions in DSS.
13. Offer material for transportation.

C. The Contractor shall provide short-term storage for material waiting for shipment, for misdirected shipments, and frustrated shipments. The Contractor shall ensure that material staged for loading is properly cared for and that material that is sensitive to the elements is properly protected. Additionally, the Contractor shall ensure that material staged for loading can be readily located in order to provide the ability to rapidly retrieve material for priority shipment, determine shipment status, when required, or to retrieve it from the loading process prior to shipment. The Contractor shall comply with inspection requirements and take required actions to preserve and maintain material in a serviceable condition, by correcting any forms of packaging deterioration, and restoring material to ready-for-issue (RFI) condition. If aRFID tags are missing or require updating, the Contractor shall create a new tag and inform the KO or designee of this action.

D. The Contractor shall adhere to transportation priority then First In/First Out (FIFO) process for all TCSP operations unless otherwise directed by the KO or designee. The Contractor shall prepare shipments IAW paragraph C-5.5.1.8 Shipment Preparation.

E. The Contractor shall update aRFID tags to accurately reflect new contents for all pallets that are reconfigured.

F. The Contractor shall prepare for surface or air shipment and transship tires for delivery to a final destination. The tires arrive palletized and segregated. The Contractor shall consolidate and repalletize as required for surface or air shipments.

5.5.1.9.3 CONTAINER YARD SERVICES

A. The Contractor shall provide container yard services that include but are not limited to:

1. Dating and posting a time stamp for each container upon arrival at DDKS (e.g, RCN). This initiates the Container Yard Service procedure.
2. Unloading and loading containers from inbound and outbound transportation carriers.

3. Segregating containers by destination, size, pure, mixed, loaded and empty, Government owned or leased, commercially owned.
4. Properly and safely stacking containers.
5. Maintaining proper balance of empty containers for outbound shipments.
6. Moving containers in and around the various work sites to support operational flow.

B. The Contractor shall give priority to handling commercial containers with “mixed” content (i.e., material consigned to multiple customers) over Government owned or leased containers with mixed contents unless otherwise directed by the KO or designee. The Contractor shall immediately notify the commercial carrier when containers have been emptied and are available for retrieval.

C. The Contractor shall adhere to transportation priority then FIFO process for container operations, unless otherwise directed by the KO or designee.

D. The Contractor shall maintain bulk storage container locations in DSS. The Contractor shall process the receipt of the container in DSS and stow in a container location. Additionally, the Contractor shall:

1. Inspect each container, upon arrival in the yard, and if damaged, submit an SF 361.
2. Verify every container aRFID tag is “active”
3. Verify the seal number against the TCMD
4. Annotate the container number and aRFID number when receipted into DSS.

E. The Contractor shall update aRFID tags to accurately reflect new contents for all containers that are reconfigured in the yard.

F. The Contractor shall establish and implement a plan to care for containers in storage to prevent damage while stored in the yard. The Contractor shall maintain container integrity; however, the container may be required to be “un-stuffed” and reconfigured for issue by surface or by air, to meet consolidation requirements.

G. The Contractor shall perform container reclamation, to include reuse of packaging materials IAW paragraph C-5.6.4.1 Container Reclamation Support.

5.5.1.9.4 MOVEMENT CONTROL/TRANSPORTATION COODINATION

A. The Contractor shall coordinate daily the theater transportation requirements. The Contractor shall load all trucks in the proper sequence and spot in time to support the transportation schedule. The Contractor shall provide Movement Control and Transportation Coordination including:

1. Communication and coordination with Government movement control teams to control the flow of inbound shipments.
2. Arranging Government provided transportation for daily local deliveries, if required.
3. Coordination and organization required to obtain space in convoys.

B. The Contractor shall communicate with the Theater Movement Control Team to ascertain information concerning inbound deliveries and adjust the internal routing of vehicles, as required, to support the operational flow of Container Yard Operations. The Contractor shall conduct coordination to obtain the truck schedules and information concerning truck types and special handling requirements as information becomes available.

C. The Contractor shall determine the amount of transportation required to support local deliveries on Camp Arifjan, and to other Camps and Government sites located in Kuwait. (See paragraph C-5.5.1.9.5 below). The KO or designee shall provide a routing plan.

5.5.1.9.5 LOCAL DELIVERY/DEDICATED TRUCK/ ACCESS EXPEDITORS

A. The Contractor shall provide vehicles (trucks) and escorts as necessary to ensure an unimpeded flow of material into and out of the facility. The Contractor shall obtain passes for all personnel requiring entry onto US controlled facilities and comply with all VISA-18 requirements. The Contractor shall present vehicle registration, proof of insurance, and a valid driver's license in accordance with entry policy. Contractor personnel and their vehicles shall only be present in Base/Station locations where services under this contract are actually being performed. US Contractor employees entering the US military facilities shall conform to all Government Force Protection Measures and are subject to such vehicle searches as may be deemed necessary to ensure that no violations occurs. The Contractor shall provide trucks for inbound shipments from the APOD and SPOD. While English-speaking truck drivers are not required, they are preferred, especially if they interact with US representatives. In either instance, all truck drivers shall be able to contact English speaking superiors at all times (via cellular phone or other direct line of communication) to allow for customer/Contractor communication when necessary.

B. The Contractor shall provide access expeditors as required to accompany transportation assets for the full delivery cycle: from the Contractor's truck park to a location where loading will occur, to the point of delivery, and then for subsequent return to the Contractor's truck park. More than one delivery cycle per truck may be required per day.

C. The Contractor shall provide the expeditors and access control for TCN drivers for all transportation functions associated with facility operations, as defined above. The Contractor shall plan for a maximum of 20 line hauls per day to the sites. At least one expeditor shall accompany each delivery and return trip, regardless of purpose or destination, and must accompany vehicle(s) performing multiple deliveries within a customer site. Contractor access expeditors shall have the ability to fluently read, write and speak English. Contractor access expeditors shall submit an Installation Access Application (SEC Form 102- Camp Arifjan) and meet all application prerequisites to include VISA-18 requirements, for obtaining expeditor privileges on US controlled facilities in Kuwait. A Kuwait CID background check may be required based upon expeditor applicant's nationality. TCNs from the prohibited countries shall not perform these services.

D. The Contractor shall provide local transportation and dedicated trucks to allow cargo to be transported to APODS and various destinations within Kuwait and Bahrain.

E. The Contractor shall be required to support 12 hour shifts with a spot time from 0600 hrs until 1800 hrs. An on-call response is preferred. The place of performance is the site in Mina Abdulla. The escorts shall speak English and Arabic and escorts and drivers shall be badged for the following locations:

- Camp Beuring
- Camp Arifjan
- APOD (Kuwait City International Airport (KCIA))
- APOD Ali Al Saleem
- Kuwait Naval Base (KNB)
- Other locations within Kuwait (as required by the KO or designee).
- DDKS Detachment Bahrain (Naval Support Activity, Juffair, Bahrain)

5.5.1.9.6 ASTRAY FREIGHT GOVERNMENT CARGO RECOVERY EFFORT (GOCARE) PROGRAM

A. Astray Freight includes in-transit government material that is found in a commercial carrier terminal or with a carrier designated contractor.

B. The Contractor shall reconcile shipment returns through the issue process by researching address records, coordinating with owners, IMs, other DoD or Federal Agencies, and redirecting shipments. If unresolved, the Contractor shall process the material found and shall return the material to stock. If an item cannot be identified by NSN and is determined to be unserviceable, the Contractor shall process the item to DRMO.

C. The Contractor shall manage the DDKS Astray Freight Program and participate in GOCARE IAW:

1. DoD 4500.9-R, DTR, Part II, Cargo Movement Chapter 209, Loss and Damage Claim Prevention and Astray Cargo Procedures
2. GOCARE Handbook

D. In support of the Astray Freight and GOCARE programs, the Contractor shall:

1. Assist other government activities in resolving Astray Freight located within DDKS's assigned district area.

2. Make monthly contacts to freight carriers, shipping docks, or any local facility used in the shipment, storage, and transportation of government material to determine if any non-deliveries are government-owned freight. The Contractor shall visit any of the facilities that indicate there is astray government freight and perform the following:

   (a) Physically examine and research to determine origin, ownership, and final destination.
   (b) Recover and redirect material found during terminal visits.

(c) Provide disposition instructions to the carrier when research indicates final destination.

B. Prepare and submit a quarterly report to the KO or designee (see Section C-6.6.2, Quarterly Reports, Report Number 010, GOCARE).

5.5.2 ADDITIONAL REQUIREMENTS

A. The Contractor shall perform the additional requirements for issue of material as described in the following paragraphs:

5.5.2.1 RESERVED

5.5.2.2 CONTROLLED MATERIAL

C. The Contractor shall process all controlled material IAW:

- DLAD 5023.30, DLA One Book, DLA Enterprise Support, Process Chapter: DLA Physical Security Program, Section E
- DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply, Section VII
- DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)

5.5.2.3 DEPLOYMENT SUPPORT

A. The Contractor shall provide logistics support for mobilization and training IAW DoD 4500.9-R, DTR, Part III, Mobility. In support of deployments, redeployments, contingencies, and exercises, the Contractor shall:

1. Provide traffic management support during deployments, redeployments, contingencies, and exercises to customers
2. Manually input release documents (DD Forms 1149, 1348-1A, and 1384) into DSS
3. Generate MSLs
4. Provide blocking and bracing, as needed
5. Provide HAZMAT packing and certification
6. Generate all required documentation
7. Schedule carrier pickup
8. Load material, if required
9. Provide cost estimation, tracking, and control of labor and material for each mobility event
10. Report status to the customer, on request

5.5.2.4 HAZARDOUS MATERIAL (HAZMAT)

A. The Contractor shall pack HAZMAT to applicable modal regulations. All Contractor personnel who sign any documentation for transportation, including shipping documentation, of DoD HAZMAT shall have HAZMAT Preparer Certification IAW DoD 4500.9-R, DTR, Part II, Cargo Movement, Chapter 204, Hazardous Material, paragraph D, Training,

subparagraph 1, Mandatory Training (see TE 4.1, Contractor-Furnished Training). The Contractor shall be responsible for any fines, penalties, and/or costs associated with improper classification, description, packaging, marking or labeling of HAZMAT certified by Contractor personnel.

B. The Contractor shall pack, mark and certify HAZMAT IAW all federal and state requirements and IAW:

1. 49 CFR, Part 107, Hazardous Material Program Procedures
2. DLAD 4145.41, Packaging of Hazardous Material, Section E, Policy
3. DLAI 4145.3, Preparing Hazardous Materials for Military Air Shipments
4. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Titles: Storage and Handling of Hazardous Materials; and Hazardous Material Transportation Security Requirements
5. IATA Publications
6. IMDGC
7. MIL-HDBK 774, Palletized Unit Loads
8. MIL-STD 2073-1, Standard Practice for Military Packaging

C. The Contractor shall ship cylinders containing compressed gas or liquid IAW:

1. Applicable federal, state, and local regulations
2. DLAI 4145.11, Storage and Handling of Hazardous Material
3. DLAI 4145.25, Storage and Handling of Liquefied and Gaseous Compressed Gases and Their Full and Empty Cylinders

D. The Contractor shall pack and certify all HAZMAT shipments to meet UN POP requirements. Civil and criminal penalties apply to the willful or negligent falsification of the packaging and packing regulations and certification forms.

E. The Contractor shall mark HAZMAT shipments as prescribed in MIL-STD 129, Military Marking for Shipment and Storage, and the applicable modal regulation (e.g., IATA Publications, 49 CFR, IMDGC, and DLAI 4145.3).

F. The Contractor shall ship small package HAZMAT via approved carrier. The Contractor shall not ship any HAZMAT without the appropriate MSDS.

5.5.2.5 RESERVED

5.5.2.6 RESERVED

5.5.2.7 RESERVED

5.5.2.8 SHELF LIFE

A. The Contractor shall meet the Last-In-First-Out requirement for IAW DoD 4140.27-M, Shelf-Life Item Management Manual, Chapter 5, Requisitioning, Issue, and Shipment. IAW the DoD Shelf-Life Program, the Contractor shall verify that at least 12 months shelf life remains on items with 24 or more month's original shelf life for requisitions for issues to OCONUS customers.

5.5.2.9 TRANSSHIPMENTS

A. The Contractor shall receive material for transshipment. Transshipment processing encompasses the physical receipt of the material, and the physical and DSS (ZWT) issue of the material. The Contractor shall sort according to consignee and process the material as a transshipment in DSS by recording the material as a ZWT for tracking delivery to the customer.

B. The Contractor shall input the ZWT for transshipments that do not require packaging, using the DSS Transportation Priority (TP)/Issue Priority Group (IPG) designations noted on the shipping documents (e.g., DD 1149, DD 1348-1A).

C. Material recorded in DSS as a ZWT does not become part of the Depot's DSS accountability record but is an issue workload count under the MIS Element identified for off-base transshipments.

D. The Contractor shall forward a copy of the source document and all shipping documentation with the material.

E. The Contractor shall process all off-base transshipments IAW with paragraph C-5.5.1.9, Shipment Preparation For Issues To Off-Base Customers; and paragraph C-5.5.1.10, Traffic Management. If the material received is packaged for shipment, the Contractor shall inspect for package deficiencies and, if necessary, correct to the applicable packaging standard. Unless otherwise specified, all non-accountable material issued as an off-base transshipment shall be packaged to minimal military and documented using the DSS "non-accountable PPP&M" work order. For packaging actions requiring Level A or B pack, the Contractor shall record the packaging action in DSS using the "non-accountable PPP&M" work order. To complete the off-base transshipment process for all non-accountable material, the Contractor shall process the material in DSS as an off base transshipment to the applicable Weight Band and offer the material for shipment.

5.5.2.10 RESERVED

5.6 PACKAGING

A. As required under DLAI 4145.4, Stock Readiness and the SWARM Stock Readiness Manual, and as needed, the Contractor shall perform all packaging on material received, stored or issued IAW the following:

1. DLAI 4145.4, Stock Readiness
2. DLAR 4145.7, Packaging of Material
3. DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM)
4. DSS Packaging Information
5. SPI (by NSN)
6. FLIS
7. MIL-STD 2073-1, Standard Practice for Military Packaging
8. MIL-STD 129, Military Marking for Shipment and Storage
9. NAVSUP P-700 (WebPack Search)
10. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: The DLA Packaging Program

B. In addition to those references listed above, the Contractor shall comply with pest-free WPM measures and standards IAW DoD 4140-01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM).

C. In addition to those references listed above, the Contractor shall perform packaging on HAZMAT and RAM IAW:

- DLAD 4145.41, Packaging of Hazardous Material
- DDCM 6055.20, RHP, Section 4E
- 49 CFR, Part 173.4 and 173.401 through 477
- ANSI/ESD S20.20, Protection of Electrical and Electronic Parts, Assemblies, and Equipment (Excluding Electrically Initiated Explosive Devices)

D. In addition to those references listed above, the Contractor shall perform packaging on ESDS components IAW:

- MIL-HDBK 773, Electrostatic Discharge Protective Packaging
- MIL-HDBK 263, Electrostatic Discharge Control Handbook for Protection of Electrical and Electronic Parts, Assemblies, and Equipment (Excluding Electrically Initiated Explosive Devices (Metric
- MIL-STD-107, Preparation and Handling of IPE for Shipments and Storage

5.6.1 REPORTING REQUIREMENTS FOR PACKAGING ACTIONS

A. Apart from the receipt, stow, storage and issue operations at the depots, DDC customers pay DDC directly to perform the packaging on their material received, stored, and issued. (For issues when customer requested packaging to Level A or B). In order for the DDC to be adequately funded to perform this function that is outside the general distribution services, the DDC must separate the payment of and provide records that are sufficient to invoice its customers for payment of packaging support provided by the depots

5.6.1.1 PACKAGING ACTIONS REPORTED SEPARATELY BY JON

A. The KO or designee will provide a list of customers and corresponding JONs who do not require approval prior to the Contractor completing packaging actions above minimal military pack. The Contractor shall use the JON that corresponds to the customer and the work performed for input into the packaging ("PPP&M") work order screen. For requests from customers not on the government provided list of approved customers, the Contractor shall obtain written authorization from the KO or designee prior to packaging the material.

B. The Contractor shall report the following types of packaging actions completed separately by JON for labor hours and material costs IAW C-6.6.1, Monthly Reports, Report Number 006, Labor Hour Report:

1. Material received that is improperly packaged regardless of the source (e.g., NP, field returns) or the required level of packing (minimal military, Level A, or Level B).

2. Maintenance returns received that are not packaged to the specified level of pack (minimal military, Level A or Level B).

3. In storage where the package has deteriorated or has been damaged and requires above minor repair COSIS actions (DD Form 1225).

4. Incident to shipment:

   (a) Mission stock or Non-Accountable Material requiring above Minimal Military Packing (Level A or B Packaging)
   (b) Material that is in a temporary stow location with a packaging action pending when a MRO is generated for issue of the item.
   (c) Material identified prior to the issue of a MRO requiring an above minor repair COSIS action (DD Form 1225) and the owner/IM authorizes the repair incident to shipment.

C. Material requiring special packaging support. The Contractor shall notify and obtain approval from the KO or designee before performing packaging when any of the following requirements are received directly from a customer:

   (a) Packaging that is above minor repair COSIS surveillance, at the request of a customer, owner, or IM.
   (b) Material requiring packaging due to a change in item configuration, NSN, unit of issue, or similar situations.
   (c) Disposition instructions for DD Form 1225s and SF 364s.

5.6.1.2 PACKAGING ACTIONS NOT REPORTED SEPARATELY

A. The following packaging actions are not required to be separately reported:

1. Packing performed incident to shipment on mission stock and non-accountable property that requires a level of protection of minimal military packing, to include the mission stock issues that require measuring and cutting (see paragraph C-5.5.1.8, Shipment Preparation for Issues to Off-Base Customers).

2. Receiving items that require minimal protection to prevent any deterioration to a lower CC while the items are in storage or temporary storage pending packaging actions.

3. Repackaging of material involved in a KCC visual inspection, if the original packaging was conforming.

4. Consolidating material at the time of receipt into an exterior container for storage purposes.

5. Repackaging of material because of Contractor caused damage to the package.

6. Correcting a packaging discrepancy that requires replacement of missing, obliterated, or damaged labels and markings, and replacing labels and marking due to changes such as shelf-life extension changes. (NOTE: Maintaining proper marking is a good warehousing practice that ensures the accuracy and accountability of material.)

5.6.1.3 IDENTIFICATION OF REPORTED PACKAGING ITEMS

A. For each packaging action completed and reported, the Contractor shall apply a label to the packaging that identifies the work order number associated with the packaging action prior to rewarehousing the material. The Contractor shall identify the Contractor employee who

performed the receiving and packaging action through the use of an Employee TDC Number in DSS. The TDC will be entered into DSS when the person receives the material. This information will print out on the MIL-STD 129 marking label. The employee completing the packaging shall write their TDC in ink on the MIL-STD label next to the DSS generated number of the employee who performed the in-check process. If the package is too small to apply the label directly to the package, the Contractor shall find another appropriate means to attach the label and does not damage the package. If the package involved in the packaging action is placed inside an external container or pack, the Contractor shall apply an additional label identifying the work order number to the external container.

5.6.2 GENERAL PACKAGING REQUIREMENTS

A. The Contractor shall receive and establish the RCN, which is the date and time the material and documentation is provided to the Contractor's work area. The Contractor shall induct the material into DSS with a temporary stow location for material requiring packaging incident to receiving. The Contractor shall input all required information in DSS to generate a packaging ("PPP&M") work order and record all work performed.

B. The Contractor shall use the DSS "PPP&M" Work Order Screen to track and report packaging actions. The Contractor shall complete the DSS "PPP&M" Work Order Screen for each packaging action accomplished.

C. Several of the data fields in the "PPP&M" Work Order Screen are systemically filled by DSS; however, the Contractor shall complete the following fields prior to closing out the "PPP&M" Work Order screen as completed:

- Part I - Management Data: The Contractor shall complete all applicable data fields that are not systemically filled by DSS.
- Part II - Action Required: The Contractor shall complete all data fields that identify the actions performed (i.e., cleaning, preservation, marking, packaging, packing), the method of pack, the level of pack, and whether a pallet was used.
- Part III – Containers: The Contractor shall mark each field that most accurately describes the type of container used in performing the packaging action.
- Part IV – Packaging, Marking, and Material Data: The Contractor shall complete the description, quantity, unit cost, and total cost fields for all Contractor furnished materials and supplies used in performing a packaging action.
- Part V – Packaging and Billing Data: The Contractor shall complete the data "Pkg Labor Hrs and Min" and "Pkg Material Cost" data fields to identify the total Contractor material costs and the actual labor hours to perform the packaging action for the quantity worked. (NOTE: The billing data is for purposes of the DDC billing its customers for the work performed.)

5.6.3 PACKAGING ACTIONS

A. The Contractor shall always perform packaging IAW packaging standards, SPIs, and approved customer requirements. However; if the packaging standard allows the Contractor discretion concerning the container used, the Contractor shall perform packaging of DLA-managed and Military Service-managed material in a manner that obtains for the Government the maximum economy in price and utilization of storage space. Some examples of obtaining the maximum economy in price for the Government (assuming an

increasing price based on the size of the container) include but are not limited to the following:

1. Damaged packages can be replaced with smaller dimensional containers.
2. Improperly packaged items can utilize different packaging that result in reduced weight and smaller size containers.
3. Incident to shipment multiple smaller containers going to a single destination requiring above minimal military packing can be consolidated into fewer large containers. The Contractor shall determine the lowest price to the Government by considering transportation costs.

B. A completed packaging action is measured based on the size of the final container (including all necessary blocking, bracing, cushioning, weatherproofing, and exterior strapping) in which a single NSN consisting of one or more pieces is finally placed.

SIZE OF THE FINAL CONTAINER				
Size*	**Size Criteria**			
	Longest Dimension	**Sum Of Dimensions (L + W + H)**	**Cube**	**Weight**
Small	≤ 24 inches	≤ 72 inches	≤ 8 cubic feet	≤ 40 lbs.
Medium	> 24 to ≤ 48 inches	>72 to ≤ 144 inches	> 8 to ≤ 26 cubic feet	> 40 to ≤ 150 lbs.
Large	> 48 to ≤ 72 inches	> 144 to ≤ 288 inches	> 26 to ≤ 48 cubic feet	> 150 to ≤ 2000 lbs.
X-Large	> 72 inches to ≤ 272 inches	> 288 inches to ≤ 366 inches	> 48 cubic feet to ≤ 205 cubic feet	> 2000 lbs. to ≤ 3999 lbs.
* The size of the container is determined by the largest size criteria met based upon the final container needed for the packaging action.				

C . The projected workload for a packaging action is by size of the package or container requiring repair, or by the size of the container used to package the material. For each (NSN), DSS systemically identifies the size of the unit of issue package based upon the above size criteria through data previously entered into the DSS Global Weight and Cube Tables when performing the Top 100 Weight and Cube program and during the product receipt evaluation process. If the Contractor finds the data on the weight and cube per unit of issue package to be incorrect, Contractor personnel trained in the Top 100 Weight and Cube program shall weigh and measure the items using the procedures established by that program and submit the correct information in the same format required as part of and in addition to their monthly Top Weight and Cube Program submissions. Additionally, the Contractor shall update the weight and cube information from R7AX under the QBL Site Record Maintenance Menu function prior to closing the packaging action. The KO or designee uses the information contained in the DSS Global Weight and Cube Tables to validate packaging actions performed on unit of issue package.

D If the Contractor determines that the final placement of material into multiple containers provides the maximum economy in price to the Government, the Contractor shall document how it made the determination and provide a copy to the KO or designee when submitting its monthly invoice.

E If an MRO is received prior to the completion of packaging, the Contractor shall expedite the packaging and issue the material to meet the APLs in TE 5.1. When packaging is completed prior to the receipt of an MRO, the Contractor shall initiate a rewarehousing action to transfer the material to a permanent storage area. The Contractor shall maintain asset visibility throughout the rewarehousing process to ensure the availability of the material if requisitioned by an end user.

F Except for LLRCs, the Contractor shall provide all material, supplies, and containers; and, purchase, repair or fabricate all storage containers and blocking, dunnage, and bracing necessary to perform the packaging functions. The Contractor shall provide all preservation materials to include, but not limited to, barriers, greases, oils, desiccants, and humidity indicators to complete the preservation process

G To obtain the Method of Preservation (MOP) code and to identify specific preservation, packaging, and marking requirements of the managing service or customer specific requirements, the Contractor shall research the appropriate records including, but not limited to, DSS, FLIS, and MIL-STD 2073-1, Standard Practice for Military Packaging. Research may require the use of facsimile, telephone, personal computer, e-mail, or mail to obtain packaging data from sources outside the Depot. If there are no specific MOP codes identified, the Contractor shall contact the appropriate owner/IM for authorized packaging instructions. The applicable levels of protection are Level A, Level B, and minimal military packing. The Contractor may submit a proposal to the KO or designee to use best commercial practices for packaging and marking. Prior to deviating from approved methods or using commercial practices, the Contractor shall obtain written approval from the KO or designee for all proposed packaging deviations.

H SPIs are designed and managed by the Military Services IMs for the material received, stored, and issued. SPIs contain mandatory packaging requirements for items in the military distribution system. The Contractor shall access and follow all SPI requirements to protect material against deterioration/degradation that can render the material inoperable/unusable. The Contractor shall access requirements for SPIs using the following websites:

1. Army – https://www-tdps.tacom.army.mil/SPISearch.asp
2. Air Force – https://spires.wpafb.af.mil
3. Navy – http://www.icptarp.net/p700.nsf

I For the purposes of completing packaging actions, SPIs and customer specific requirements take precedence over all other regulatory guidance if conflicting guidance exists.

J The Contractor shall perform preservation on a variety of items of different sizes and weights. Some items, such as ESDS, pilferable items, require special handling precautions.

Upon completion of any required cleaning and preservation, the Contractor shall package all material IAW all applicable regulatory guidance as cited above.

K The Contractor shall complete the DSS "PPP&M" Work Order screen then close out the work order, which will initiate a rewarehousing action in DSS to rewarehouse the material to a permanent storage location upon completion of packaging actions.

5.6.4 CONTAINER RECLAMATION AND FABRICATION IN SUPPORT OF PACKAGING

A. The Contractor shall perform container reclamation, to include reuse of packaging materials IAW:

1. DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization, Title: DLA Packaging Program; and DLAI 4145.4, Stock Readiness
2. 49 CFR Section 173.28

B. The Contractor shall provide all containers in support of packaging, COSIS (see paragraphs C-5.3.1.1.1, In Storage Inspection and Minor Repair; and C-5.3.1.1.4, COSIS Actions Exceeding Minor Repair) and POP requirements. If LLRCs are unavailable, the Contractor shall prepare and submit to the KO or designee a SF 364 (if required at the time of receipt) or a DD Form 1225 (if required through a COSIS action) to requisition the LLRC through the owners/IMs, package the material in minimal military pack for the applicable MOP, and stow the material in the appropriate CC until disposition instructions or the LLRCs are received.

C. If a LLRC is required and none are available or cannot be requisitioned in time to meet the APLs for issue, the Contractor shall request an alternate pack method by submitting a DD Form 1225 or SF 364 through the owner/IM to the KO or designee and perform the packaging action upon receipt of the disposition instructions. If an approved alternate pack method exists, the Contractor shall perform the packaging action to meet the APLs for issuance.

5.6.4.1 CONTAINER RECLAMATION SUPPORT

A. The Contractor shall operate an active container reclamation program to allow the maximum availability and reuse of SPI containers and other LLRCs (e.g., reusable fast-packs, standard packs, cases and packaging materials used to package repairable and recoverable items.

B. LLRCs are metal and fiberglass containers that are identified and received for specific equipment or material. There are three classifications of LLRCs used:

- Special Use – Containers designed for one specific item (i.e., engines, transmissions) and managed by the owner/IM.
- Modular Containers – Multiple purpose containers for packing material other than Navy. The primary source for these containers is locally from container reclamation. The Crown Jewel container is the Navy equivalent of the Modular Container. Crown Jewels are for Navy material only.
- Drums – Containers used for the packing of aircraft or other components.

C. The Contractor shall inspect, off-load all reusable containers, and segregate according to the appropriate reclamation areas.

D. The Contractor shall input all material found during the reclamation process to DSS IAW Section C-5.2, Receiving.

E. The Contractor shall obliterate all old markings on reusable containers. The Contractor shall mark or re-mark containers as required for issue or storage.

F. The Contractor shall reclaim LLRCs from material destined for DRMO, when directed by the owner/IM. IAW DLAI 4145.4, Stock Readiness, when material destined for disposal is packed in a LLRC, the Contractor shall contact the owner/IM before completing the DRO to determine if the owner/IM wants to retain the container. The Contractor shall request disposition instructions from the owner/IM by telephone, email, or facsimile, on all LLRCs separated from salvaged material and those that are separated from material that were packed in the wrong container.

G. The Contractor shall dispose of the destroyed, non-reusable containers or refurbish and store the reclaimed containers until they are required for use IAW DLAD 5025.30, DLA One Book, Chapter: Distribution and Reutilization; and DLAI 4145.4, Stock Readiness. The Contractor shall not exceed the available storage space for pre-reclaimed containers (excluding fiberboard).

H. The Contractor shall maintain a log of LLRCs reclaimed and used monthly along with other reusable hardwood boxes or crates. The Contractor shall provide a monthly report of LLRCs reclaimed and used to the KO or designee (See C-6.6.1, Monthly Reports, Report Number 004, Reclamation Report).

5.6.4.2 FABRICATION SUPPORT

A. The Contractor shall design, plan, repair, construct or procure a variety of shipping and storage containers to include fiberboard cartons, wooden boxes, crates and pallets and blocking/dunnage required to support Stock Readiness/Packaging, routine/exceeding minor repair COSIS, POP requirements, and alternate pack methods. If there are no specific requirements identified, the Contractor shall accomplish the packaging design IAW MIL-STD 2073-1, Standard Practice for Military Packaging; SPIs; DSS Packaging Instructions and all other applicable packaging/protection specifications. The Contractor shall also construct and install or provide parts and blocking and bracing. These parts include items such as banding, strapping, tie downs, blocks, chocks, hooks, or cradles, required to secure or encase items in containers or on pallets/skids. The Contractor shall make specialized cuts that may utilize detailed drawings and SPIs or other prescribed directions provided by the customer that are required to secure or encase items in containers. The Contractor shall consider special load-bearing requirements and material configurations when manufacturing or procuring containers.

B. The Contractor shall meet WPM requirements IAW DoD 4140-01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM) (see Section C-5.6.4.3, Wood Packaging Material (WPM)) when using exempt materials that are combined with processed wood components and apply the IPPC Stamp.

C. In some cases, the items requiring container manufacturing are too large to move from the storage location; therefore, the Contractor shall transport the container to the item. In these instances, the Contractor may have to provide packaging, containerization and shipping support in open areas where the Contractor will be exposed to the elements.

5.6.4.3 WOOD PACKAGING MATERIAL (WPM)

A. Concerns about invasive species in Wood Packaging Material (WPM) have led the International Plant Protection Convention (IPPC) and the European Union (EU) to issue an International Standards for Phytosanitary Measures Guidelines for Regulating Wood Packaging Material in International Trade (ISPM 15). DoD has adopted the ISPM 15 requirements as identified in DoD 4140.01M Compliance For Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM).

B. The Contractor shall construct or obtain all wood pallets, skids, load boards, pallet collars, wooden boxes, reels, dunnage, and crates using WPM compliant wood. Packaging material exempt from these requirements are materials that have gone through a manufacturing process (e.g., corrugated fiberboard, plywood, particleboard, veneer, and OSB). The Contractor shall ensure all WPM has the ISPM 15 certification marking (IPPC Stamp) to indicate compliance.

C. DDC will contract with an American Lumber Standard Committee (ALSC) accredited Grading Agency to comply with DoD requirements. The accredited grading agency will perform a monthly audit of the Contractor's records IAW DoD 4140.01-M-1, Chapter 3, Management Controls and Appendix 2, Audit Inspection Guide for Phytosanitary Requirements for Wood Packaging Material (WPM) Compliance. The Contractor shall provide the accredited grading agency any access necessary to perform its audit.

D. In accordance with DoD 4140-01-1, the Contractor shall appoint a "Site Custodian" to serve as a trained focal point to coordinate with DDC WPM manager and ALSC auditor. The Contractor's Site Custodian shall ensure personnel in the receiving; storage, packing, and transportation functions are trained and certified IAW DoD WPM program (See TE 4.1, Contractor Furnished Training). The Site Custodian shall retain training records and certificates; the DoD Pest Free usage log; records of items stamped, and provide those records to the KO or designee for auditing.

E. The Contractor shall mark WPM that is not certified as ISPM compliant (IPPC marked) with the DoD Pest Free Stamp. If the pack date is less than 5 years and is not packaged in ISPM compliant WPM, the Contractor shall visually inspect to ensure WPM is bark free, contains no bore holes larger than 3mm, and test with a lumber moisture meter to determine moisture content is less than 20%. If WPM passes criteria, the Contractor shall mark with the DoD Pest Free Stamp. If the pack date if older than 5 years, no moisture test is required. The Contractor shall maintain the following data in the usage log:

1. TCN
2. NSN
3. Moisture percentage
4. Yes/no bore holes
5. Signature of the certifier

5.7 SPECIAL PROJECTS

A. Special projects will be directed by the KO or designee and shall relate directly to the Contractor's performance of warehouse and distribution operation as set forth in Section C.

The Contractor shall provide the costs to perform the special projects after the Government provides the detailed requirement.

5.7.1 SPECIALIZED PACKAGING SUPPORT AND REQUESTED CONTAINER FABRICATION

A. The Contractor shall perform specialized packaging support for:

1. Stock in storage and transshipment requests that include a packaging request exceeding the requirements in the Size of the Container table in paragraph C-5.6.3, Packaging Actions

2. Customer specified packaging performed as requested by the customer that is not a transshipment; and

3. Requests from customers to build/obtain containers. The customer specified packaging and requested container fabrications are not for any requirements addressed in this contract (e.g. stock in storage, transshipments). The containers are normally built/obtained and delivered to the customer without performing the packaging action.

B. Customer specified packaging or requested container fabrications may be submitted through the use of DD Form 1149, work order, or telephone call. Customer requests may utilize detailed drawings, blueprints or other special packaging instructions, requiring the fabrication of a container and specialized blocking/dunnage. In some cases, the Contractor shall develop the design and drawings of the container and its configuration. When designing the containers, the Contractor shall consider special load-bearing requirements and material and shipping configurations.

C. IAW the customer requirements and current military or ASTM standards, the Contractor shall develop and submit to the KO or designee a proposal, which shall include the following:

1. A copy or outline of the customer request or the document number for the stock in storage and transshipment requests that include a packaging request exceeding the requirements in the Size of the Container table in paragraph C-5.6.3, Packaging Action
2. A brief summary outlining the requirements
3. A detailed design or alternate design of (as applicable):
4. Shipping or storage container
5. Blocking/dunnage
6. SPI, if required, to secure or encase the item/material within a container
7. Written price estimate on a DLA form 161 (as applicable)
8. Repairs or fabrication of shipping and or/storage container and blocking and dunnage
9. Performance period for completing the container fabrication:
   - Hi-Priority within one work day
   - Routines within five work days

D. The KO or designee will provide the Contractor with written approval along with a JON for each specific request. The Contractor shall perform the specialized packaging action upon receipt of the written approval and JON. The Contractor shall enter the material in DSS using the appropriate “PPP&M” work order to process as either a mission or a non-

accountable asset, completing all parts of the work order IAW C-5.6.4, Reporting of Packaging Actions. The Contractor's approved estimate and/or designs shall be valid for 45 calendar days from the original date of approval. The Contractor shall report specialized packaging support completed separately by JON for labor hours and material costs IAW C-6.6.1, Monthly Reports, Report Number 006, Labor Hour Report.

E. In some cases, the item/material requiring the specialized packaging action are too large to move from their storage location. In those cases, the Contractor shall perform the packaging action at the item/material location. This may entail the Contractor to provide this service in open areas where the Contractor will be exposed to the elements. For item/material that require crane support, the Contractor shall coordinate with the KO or designee, customer, and the transportation carrier the date and time for a crane and truck pick up services to be provided.

5.7.2 REPALLETIZATION

A. The Contractor shall perform repalletization of material for serviceable return receipts (C-5.2.1.4.2 Customer Returns) and issues (C-5.5.1.2 Stock Selection) on non-compliant WPM standard or non-standard pallets or skids.

B. The Contractor shall complete a DLA Form 1759, including the estimated labor hours and material cost and annotating the non-reimbursable JON provided (currently 08WOOD) on the form and perform the repalletization of material. The Contractor shall not enter the material in DSS using the "PPP&M" work order. The Contractor shall provide a copy of each DLA 1759 with the invoice for the month.

5.8 CONFERENCES

A. The Contractor shall attend and will be reimbursed for travel costs for attending DDC and DLA sponsored conferences as directed by the KO or designee. The Contractor shall be responsible for any costs incurred as a result of its attendance at these conferences, which are in excess of that allowed under FAR Part 31.205-46 and the appropriate regulations cited therein. There are approximately ten conferences per year.

SECTION C-6 APPLICABLE DIRECTIVES, PUBLICATIONS, INSTRUCTIONS, FORMS AND REPORTS

6.1 GENERAL INFORMATION

A. Guidance and regulations identified in this document must be complied with for the duration of performance. The Government has made most publications and forms available at the following Internet sites:

1. http://www.dlaps.hq.dla.mil/
2. http://www.gpoaccess.gov
3. http://www.e-publishing.af.mil/
4. http://www.dtic.mil/whs/directives
5. http://www.defenselink.mil/pubs
6. http://www.acq.osd.mil/dpap/dars/index.htm

B. Publications cited in this contract are current, as of the date the contract was prepared. Commercial practices for documentation will be considered where the performance requirements are determined by the Government to equal or exceed the requirements of these documents. The Contractor shall use R-Forms (Reproducible) and E-Forms (Electronic) to the maximum extent possible. Samples of non-standard Government forms required for the fulfillment of this requirement will be available for Contractor review upon request. The Contractor shall accomplish the tasks set forth in this requirement IAW the references listed and the following guidelines:

1. If there is a conflict between Section C and the cited references, Section C shall have precedence over the references.

2. If there is a conflict between or among two or more such references those issued by a higher authority shall have precedence over those issued by a lower authority. If there is a conflict between or among those issued at the same level of authority, those with a later date of issue shall have precedence over those with earlier dates of issue.

3. If there is a conflict between or among a DLA and an Armed Services reference, the DLA reference shall have precedence over those issued by the Armed Services.

C. Any task set forth in any such reference that calls for the exercise of discretionary government authority that cannot be delegated shall be subject to the final approval of the government official having such authority.

D. During performance of this requirement, the Contractor shall use the most current publications and forms unless otherwise directed by the KO or designee.

E. The Contractor shall abide by all directives and references listed below in the performance of the requirements in the contract even if the directives and references are not specifically listed in other sections of the contract.

F. The Government will have unlimited rights to use, duplicate, or disclose Contractor's operating logs and forms, in whole or in part, in any manner, for purposes associated with Government requirements set forth in the contract. The purpose of this statement is to minimize disruptions in service and preserve historical data in the event the Contractor is changed. This does not apply to publications determined to be proprietary to the Contractor. Records maintained by the Contractor remain the property of the Government and will be retained IAW disposition instructions.

6.2 DEVIATIONS FROM GUIDANCE

A. The Contractor shall utilize the following procedures prior to deviating from Government publications or forms in the performance of this requirement:

1. Develop and keep current a published manual of Contractor publications and forms specifically delineating the Contractor's responsibilities and actions that deviate from the applicable government publication(s) or form(s).
2. Comply with the intended effect or product contemplated.
3. Submit to the KO for review and acceptance prior to use or implementation.
4. Number IAW DLAI 5330.1, Publications, Forms, Printing, Duplicating, Micropublishing, Office Copying, and Automated Information Management Programs.
5. Ensure publication or form is not in conflict with any portion of this contract.

B. The government will have unlimited rights to use, duplicate, or disclose such Contractor publications, in whole or part, in any manner and for any purpose whatsoever. In the event a follow-on contract is awarded to other than the incumbent, the incumbent Contractor's publications shall be made available to the successor Contractor for information purposes until the successor Contractor publications are published and approved by the government.

6.3 PUBLICATION CHANGES

A. The Contractor shall have access to the Government Publications System at http://www.dla.mil/dlaps in order to obtain the required publications and forms needed to perform the requirements of the contract. Supplements or amendments to listed publications are also accessible through the web site. In addition, the DDC may issue directive changes through policy and procedure letters, which will be issued by the KO. The Contractor shall immediately implement those changes to mandatory publications that result in a decrease or no change in cost of performance. Where there is a cost impact, the Contractor shall submit to the KO or designee a price proposal within 30 calendar days following receipt of the change by the Contractor. The KO or designee and the Contractor shall negotiate the change under the provisions of the clause entitled "Changes". Failure by the Contractor to submit a price proposal within 30 calendar days following receipt of the change entitles the Government to performance according to such change at no increase in price (unless the time requirement is waived by the KO or designee).

6.4 DIRECTIVES/PUBLICATIONS

A. For policy and regulation documents specified throughout this contract, the omission of a chapter or paragraph reference dictates compliance with the entire document. In addition to the documents listed below, the Contractor shall comply with all other applicable federal, state, and local laws, ordinances and regulations. (OSHA, DoT, EPA, etc.)

B. The following table provides a convenient listing of all reference documents specified in this contract, with the exception of USC, CFR, FAR, Defense Federal Acquisition Regulations Supplement (DFARS), and DLA FAR Supplement (DLAD 4105.1, Defense Logistics Acquisition Directive). A Reference Library CD will be provided on a CD at the Pre-proposal Conference (PPC). Any offeror that does not attend the PPC, may contact the Contract Specialist to request a CD be mailed.

TITLE	DATE	LINK
ANSI/ESD S20.20, Protection of Electrical and Electronic Parts, Assemblies, and Equipment (Excluding Electrically Initiated Explosive Devices)		http://www.esda.org/documents/s2020std.pdf
CA-Dispatch User's Manual		https://ddcnet.ddc.dla.mil/InformationTechnology/DSS/default.asp
CAGE codes for Navy assets		http://www.dscr.dla.mil/userweb/vg/CriticalPartReview.htm
CAGE codes for Army assets		http://www.dscr.dla.mil/userweb/vg/ArmyCriticalPartReview.htm
Carrier Performance Program		http://www.sddc.army.mil
CERCLA		http://www.epa.gov/superfund/action/law/cercla.htm
Clean Air Act	1990	http://www.epa.gov/air/oaq_caa.html/
Clean Water Act	1977	http://www.epa.gov/region5/water/cwa.htm
DDC Affirmative Procurement Program		https://ddcnet.ddc.dla.mil/apps.asp
DDCI 7500.1, DDC Financial Liability Investigation of Property Loss		http://www.supply.dla.mil/PDFs/DDCI75001.pdf
DDCM 6055.20, Radiological Health Program	Jan 02	http://www.logcom.usmc.mil/radcon/reflib/
DDC POP Program		http://www.ddc.dla.mil/Programs/Pop/default.asp
DHL		http://www.dhl.com/main_index.html
DLA FMS Handbook		http://akss.dau.mil/servlet/Ac

TITLE	DATE	LINK
		tionController?screen=Policies&Process=2; http://www.supply.dla.mil/Word/FMS_Handbook.doc
DLAD 4105.1, Defense Logistics Acquisition Directive	May 00	http://www.dla.mil/j-3/j-336/logisticspolicy/lastDLADrev5updated.pdf
DLAD 4140.69, Inventory Adjustment Research	Dec 00	http://www.dlaps.hq.dla.mil/dlad/d4140.69.htm
DLAD 4145.7, Packaging of Material	Mar 98	http://www.dscc.dla.mil/downloads/packaging/dlad4145_7.pdf
DLAD 4145.41, Packaging of Hazardous Material	Jan 00	http://www.dlaps.hq.dla.mil/dlad/d4145.41.pdf
DLAD 4151.16, Joint Depot Maintenance Program	Mar 99	http://www.dlaps.hq.dla.mil/dlad/d4151.16.pdf
DLAD 4155.37, Material Quality Control Storage Standards	Apr 06	
DLAD 5025.30, DLA One Book		http://www.dla.mil/j-3/j-336/logisticspolicy/rev5.htm
DLAI 4140.55, Reporting of Supply Discrepancies	Aug 01	http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/SDR/DLAI4140.55-FINALAug2001.doc
DLAI 4145.1, Guide for Basic Military Preservation and Packing	Dec 99	Available for purchase on web
DLAI 4145.3, Preparing Hazardous Materials For Military Air Shipments	Oct04; Sup 1 Dec 04	http://www.e-publishing.af.mil/pubfiles/af/24/afman24-204(i)/afman24-204(i).pdf; and, http://www.e-publishing.af.mil/pubfiles/afrc/24/afman24-204(i)_afrcsup1_i/afman24-204(i)_afrcsup1_i.pdf
DLAI 4145.4, Stock Readiness	Jan 03	http://www.dla.mil/dlaps/dlai/i4145_4/i4145.4_file1.htm
DLAI 4145.8, Radioactive Commodities in the DoD Supply System	Mar 04	http://www.dla.mil/dlaps/dlai/i4145.8.pdf

TITLE	DATE	LINK
DLAI 4145.11, Storage and Handling of Hazardous Materials	Jan 99	http://www.dlaps.hq.dla.mil/dlai/i4145.11.pdf
DLAI 4145.25, Storage and Handling of Liquefied and Gaseous Compressed Gases and Their Full and Empty Cylinders	Jan 01	http://www.e-publishing.af.mil/pubfiles/af/23/afman23-227(i)/afman23-227(i).pdf
DLAI 4500.36, Management, Acquisition, and Use of DLA Operating Equipment	Feb 97	http://www.dlaps.hq.dla.mil/dlai/i4500.36.htm (Supplement in One Book – chapter 'Support Equipment Acquisition Process – supersedes paragraph E.2, 'Acquisition') https://today.dla.mil/onebook/process/154.htm
DLAI 5200.13, DLA OPSEC Program	Sep 96	http://www.dlaps.hq.dla.mil/dlai/i5200.13.htm
DLAI 5330.1, Publications, Forms, Printing, Duplicating, Micropublishing, Office Copying, and Automated Information Management Programs	Aug 95	http://www.dlaps.hq.dla.mil/dlai/i5330.1.htm
DLAI 5705.1, Reporting of Criminal Violations	May 99	http://www.dlaps.hq.dla.mil/dlai/i5705.1.htm
DLAI 6055.1, DLA Safety and Occupational Health Instruction	Jan 02	https://today.dla.mil/onebook/process/203.htm
DLAM 4140.2, Supply Operations Manual, Vol. I, Distribution Systems Procedures		http://www.dla.mil/dlaps/dlamlistall.asp
DLAM 4140.2, Supply Operations Manual, Vol. III, Defense Depot Transportation and Supply Procedures	Apr 02	http://www.dla.mil/dlaps/samms/m4140.2/III/guide.asp
DLAM 4145.2, Packaging of Material, Volume II, Packing	Dec 99	http://www.dla.mil/dlaps/dlai/i5025.1.htm#section_2_dod_pubs
DLAR 4140.48, Storage of Military Service-Owned Retail Stocks in the DLA Material Distribution System	Dec 81	http://www.dlaps.hq.dla.mil/dlar/r4140.48.htm
DLAR 4145.7, Packaging of Material	Jan 04	http://docs.usapa.belvoir.army.mil/jw2/xmldemo/r700_15/head.asp
DLAR 4145.11, Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable	Feb 90	http://www.dlaps.hq.dla.mil/dlar/r4145.11.htm

TITLE	DATE	LINK
Items of Supply		
DLAR 4145.23, Radioactive Materials in the DLA Supply System	Aug 93	http://www.dla.mil/dlaps/dlar/r4145.23.htm
DLAR 4155.24, Product Quality Deficiency Report Program	Jul 93	http://www.dlaps.hq.dla.mil/dlar/r4155.24.htm
DLAR 4155.37, Material Quality Control Storage Standards	Feb 93	https://www.denix.osd.mil/denix/Public/News/NAVSUP4C3/Programs/Shoptowel/4155.37.html
DLAR 4500.31, Transportation and Traffic Management, Transportation of FMS and Grant Aid Material	Aug 91	http://www.dlaps.hq.dla.mil/dlar/r4500.31.htm
DLAR 5200.12, DLA Information Security Program	Jun 87	http://www.dlaps.hq.dla.mil/dlar/r5200.12.htm
DLAR 5200.17, Security Requirements for Automated Information and Telecommunications Systems	Jun 93	http://www.dla.mil/dlaps/dlar/r5200.17.htm
DMISA Policies		https://jdmag.wpafb.af.mil/DMISA%20Pamphlet.pdf
DoD 4000.25-M, DLMS, Volume II, Supply Standards and Procedures	Apr 04	http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLMS2003/default.asp
DoD 4000.25-1-M, MILSTRIP	Apr 04	http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/MILSTRIP/Default.asp
DoD 4000.25-2-M, MILSTRAP	Mar 08	http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/MILSTRAP/default.asp
DoD 4000.25-8-M, MAPAD System	Updated Monthly	http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/MAPAD/mapad.asp
DoD 4100.39-M, FLIS Procedures Manual	Oct 04	http://www.dlis.dla.mil/PDFs/Procedures/vol04.pdf
DoD 4140-01-M-1, Compliance for Defense Packaging: Phytosanitary Requirements for Wood Packaging Material (WPM)	Sep 07	http://www.dtic.mil/whs/directives/corres/pdf/414001m1p.pdf
DoD 4140.1-R, DoD Supply Chain Material	May 03	http://www.dtic.mil/whs/direct

TITLE	DATE	LINK
Management Regulation		ives/corres/html2/p41401r.htm
DoD 4140.27-M, Shelf-Life Management Manual	May 03	http://www.shelflife.hq.dla.mil/policy_DoD4140_27.aspx
DoD 4145.19-R-1, Storage and Materials Handling	Sep 79	http://www.dtic.mil/whs/directives/corres/html/414519r1.htm
DoD 4160.21-M, Defense Material Disposition Manual	Aug 97	http://www.dtic.mil/whs/directives/corres/html/416021m.htm
DoD 4160.21-M-1, Defense Demilitarization Manual	Oct 91	http://www.dla.mil/dlaps/dod/416021m1/guide.asp
DoD 4500.9-R, DTR, Part II, Cargo Movement	Nov 04	http://www.transcom.mil/j5/pt/dtr_part_ii.html
DoD 4500.9-R, DTR, Part III, Mobility	Apr 04	http://www.transcom.mil/j5/pt/dtr_part_iii.html
DoD 5100.76-M, Physical Security of Sensitive Conventional AA&E	Aug 00	http://www.dtic.mil/whs/directives/corres/pdf/510076m_0800/p510076m.pdf
DoD 5105.38-M, SAMM	Oct 03	http://www.dsca.osd.mil/samm/
DoD 5200.1-R, Information Security Program	Jan 97	http://www.dtic.mil/whs/directives/corres/pdf2/p52001r.pdf
DoD 5200.2-R, Personnel Security Program	Jan 87	http://www.dtic.mil/whs/directives/corres/pdf/52002r_0187/p52002r.pdf
DoD 5220.22-M, NISPOM	Feb 01	http://www.dss.mil/isec/nispom.htm
DoD 5220.22-R, Industrial Security Regulation	Dec 85	http://www.dtic.mil/whs/directives/corres/pdf/522022r_1285/p522022r.pdf
DoD 7000.14-R, DoD FMRs	varies by volume	http://www.dtic.mil/whs/directives/corres/html/700014r.htm
DoD Dictionary of Definitions and Terms		http://www.dtic.mil/doctrine/jel/doddict

TITLE	DATE	LINK
DoDI 3020.37, Continuation of Essential DoD Contractor Services During Crises	Nov 90 (w/Ch 1 Jan 96)	http://www.dtic.mil/whs/directives/corres/pdf/i302037wch1_110690/i302037p.pdf
DoDI 5240.6, CI Awareness, Briefing, and Reporting Programs	Aug 04	http://www.dtic.mil/whs/directives/corres/html2/i52406x.htm
DoD 6055.1, DoD Safety and Occupational Health (SOH) Program		http://www.dtic.mil/whs/directives/corres/pdf/i60551_081998/i60551p.pdf
DoDI 6055.6, DoD Fire and Emergency Services Program	Oct 00	http://www.dtic.mil/whs/directives/corres/pdf/i60556_101000/i60556p.pdf
DSS Manual		https://dsiou.dsio.dla.mil/doc/index_mie.htm
DSS-MIS Procedures Guidance		https://dsiou.dsio.dla.mil/doc/index_mie.htm
DSS Packing Process requirements		https://206.38.33.10/docwebfiles/applications/dss/um/um08/info-pdf-controler-um08-chap2.htm
DSS-QBD/QBO Inquiry System		https://ddcnet.ddc.dla.mil
EPCRA	1986	http://www.epa.gov/region5/defs/html/epcra.htm
EPSQ Customer Manual		http://www.dss.mil
EPSQ Software		https://sclient.dss.mil/download
EO 10577, Amending the Civil Service Rules and Authorizing a New Appointment System for the Competitive Service	Nov 54	http://www.archives.gov/federal_register/codification/executive_order/10577.html
EO 13101, Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition	Sep 98	http://www.ofee.gov/eo/13101.htm
EO 13148, Greening the Government Through Leadership in Environmental Management	Apr 00	http://ceq.eh.doe.gov/nepa/regs/eos/eo13148.html
EO 13221, Energy Efficient Standby Power Devices	Aug 01	http://www.ofee.gov/eo/eo13221.pdf

TITLE	DATE	LINK
FedEx		U.S. Government shipping (within the Continental U.S. (CONUS) and outside of the Continental U.S. (OCONUS): http://www.fedex.com/us/government Commercial: http://www.fedex.com/us/services
Government contracts		http://progate.daps.dla.mil./home/home.cfm
IATA Publications		http://www.iata.org/ps/publications/index
IMDGC		http://www.imo.org/Safety/mainframe.asp?topic_id=158
International Standards for Phytosanitary Measures (ISPM 15): Guidelines for Regulating Wood Packaging Materials in International Trade	May 01	http://packaging.hp.com/eips/Knowledge/WoodPack.pdf
MARSSIM	Jun 01	http://www.epa.gov/radiation/information.htm
MFTRP No. 1, Rules and Accessorial Services Governing the Movement of DoD Freight Traffic by Motor Carrier	Jan 04	http://www.sddc.army.mil/CONTENT/8188/MFTRP1C.pdf
MFTRP No. 10, Rules and Accessorial Services Governing the Movement of DoD Freight Traffic by Rail	Mar 03	http://www.sddc.army.mil/CONTENT/10089/mftrp10ANSI.pdf
MIL-HDBK 263, Electrostatic Discharge Control Handbook for Protection of Electrical and Electronic Parts, Assemblies, and Equipment (Excluding Electrically Initiated Explosive Devices) (Metric)	Jul 94	http://www.dscc.dla.mil/downloads/packaging/mil_hdbk_263_B.pdf
MIL-HDBK 773, Electrostatic Discharge Protective Packaging	May 90	
MIL-HDBK 774, Palletized Unit Loads	Mar 96	http://www.dscc.dla.mil/downloads/packaging/mil_hdbk_774.pdf Notice 1 – http://www.dscc.dla.mil/downloads/packaging/mil_hdbk_774_notice_1.pdf

TITLE	DATE	LINK
MIL-STD 107, Preparation and Handling of IPE for Shipments and Storage	Dec 01	
MIL-STD 129, Military Marking for Shipment and Storage	Oct 04	
MIL-STD 1686, Electrostatic Discharge Control Program for Protection of Electrical and Electronic Parts, Assemblies and Equipment (Excluding Electrically Initiated Explosive Devices) (Metric)	Oct 95	
MIL-STD 2073-1, DoD Standard Practice for Military Packaging	May 02	
NMFC Policies and Directives		http://www.nmfta.org/directives.pdf
Navy SIT SDR		http://www.navysup.navy.mil/npi
NRC		http://www.nrc.gov/
OPNAVINST 4790.14A, DLA Implementing Instructions, Appendix E	Mar 99	http://neds.daps.dla.mil/Directives/479014/e.pdf
OSHA Guidelines		http://www.osha.gov/pls/publications/pubindex.list
RCP QLR Program		http://www.dla.mil/j-3/leso/Section1033/RCP.htm ; http://www.drms.dla.mil/rtd03/rcp.htm; http://www.dla.mil/dlaps/samms/h4140.9/1-02a.doc; http://www.dla.mil/dlaps/samms/h4140.9/1-02a.doc
RHIP 001, Leak Test		DDC RHIP 01 Rev 0 - Leak Test.... Leak Test Items.xls (50 KB)
SDDC's Spot Bid Business Rules		http://www.sddc.army.mil/CONTENT/8511/Spot_Bid_Rule

TITLE	DATE	LINK
		s.pdf
SPIs for Army		https://www-tdps.tacom.army.mil/SPISearch.asp
SPIs for Air Force		https://spires.wpafb.af.mil
SPIs for Navy		http://www.icptarp.net/p700.nsf
Support Equipment Disposal Process		http://today.dla.mil/onebook/process/263.htm
Support Equipment Maintenance Process		http://today.dla.mil/onebook/process/264.htm
Support Equipment Operations Process		http://today.dla.mil/onebook/process/303.htm
UPS		http://www.ups.com/using/svc-index.html

6.5 FORMS

A. The Government will have unlimited rights to use, duplicate, or disclose the Contractor's operating logs and forms, in whole or in part, in any manner, for purposes associated with the government requirements set out in this contract. The purpose of this statement is to minimize disruptions in service and preserve historical data in the event the Contractor is changed. This does not apply to publications determined to be proprietary to the Contractor. Records maintained by the Contractor remain the property of the Government and will be retained IAW disposition instructions. A list of commonly used Forms, with a web link to each Form, is located in TE 6.1, Government Forms.

6.6 MANDATORY REPORTS

A. The Contractor shall create and distribute reports as described below for the Government to administer performance of the contract requirements and to manage and interface with other government activities or agencies. The table below is a listing of required reports outlined in the contract. The Contractor shall submit all reports to the KO or designee for review and final distribution.

6.6.1 MONTHLY REPORTS

Report Number 001	
Title:	Log of Work Related Injuries and Illnesses OSHA Form 300A
PWS Ref.:	C-1.4.12.D Operational Constraints
Reference for Format:	
Due Date:	NLT the 3rd work day after month end.

Report Number 002	
Title:	EWO Report
PWS Ref.:	C-4.6.3.1 and C-4.6.3.2.D, Equipment Maintenance on GFE
Format:	EWO Report.doc
Due Date:	Accompanies the monthly invoice

Report Number 003	
Title:	Monthly APL Report
PWS Ref.:	C-5.1.A Distribution Services and Requirements
Format:	C:\Documents and Settings\tgu8332\Des
Due Date:	To the KO OR designee, NLT the 5th working day of each month for the previous month.

Report Number 004	
Title:	Reclamation Report
PWS Ref.:	C-5.6.3.1.H. Reclamation Support
Format:	Reclamation Report.xls
Due Date:	NLT the 5th working day of each month for the previous month

Report Number 005	
Title:	Classified and CSI Material Disposal Report
PWS Ref.:	C-5.5.1.8.4. Critical Safety Items
Format:	Classified Material Disposal Report.xls
Due Date:	5th Working day of each month

Report Number 006	
Title:	Labor Hour Report
PWS Ref.:	C-5.6.1.1. Packaging Actions Reported Separately by JON C-5.8.1.D. Specialized Packaging Support and Request Container Fab
Format:	Labor Hour Report.doc.xls
Due Date:	NLT the 5rd work day after month end.

Report Number 007	
Title:	Labor Cost Monthly Report
PWS Ref.:	C-1 through C-7
Format:	Microsoft Office Word Document
Due Date:	NLT the 5th work day after month end

Report Number 008	
Title:	Support/Material Support Costs Monthly Report
PWS Ref.:	C-1 through C-7
Format:	Microsoft Office Word Document
Due Date:	NLT the 5th work day after month end

6.6.2 QUARTERLY REPORTS

Report Number 009	
Title:	DOT-Exemption Usage Report
PWS Ref.:	C-5.5.1.9.Traffic Management
Format:	"DOT-Exemption Log.pdf"
Due Date:	NLT 10 days following the end of the quarter

Report Number 010	
Title:	Government Cargo Recovery Effort Program (GOCARE)
PWS Ref.:	C-5.5.1.10.2. Astray Freight (Government Cargo Recovery Effort (GOCARE) Program)
Format:	Astray Freight-GOCARE Rep

Report Number 011	
Title:	Financial Liability Investigation of Property Loss (FLIPL) Report
PWS Ref.:	C-5.1.1.1.B Liability for Mission Stock
Reference for Format:	C:\Documents and Settings\tgu8313\Des C:\Documents and Settings\tgu8313\Des
Due Date:	To the KO or designee NLT the 10th of every month following end of quarter (January, April, July, & October).

6.6.3 SEMI-ANNUAL REPORTS

Report Number 012	
Title:	Storage Space Management Reporting (SSMR)
PWS Ref.:	C-5.3.1.2. Planographs
Format:	SSMR submission memo Report 017.pdf Blank 805 Report.xls

6.7 HISTORICAL DATA AND OTHER INFORMATION

A. Documents identified in the Historical Data and Other Information table will be provided on CD upon request through the Contract Specialist.

HISTORICAL DATA AND OTHER INFORMATION	
Affirmative Procurement Guide	
Capital Investment Document	
CGA Mission and Functions Statement	
DSS Web Applications	
DSS Using Cycle Tracking	
DSS Work Counts	
DSS WIP Site User Manual	
DoD 4000.25-2M Physical Inventory Control	
ESOHMS – 100 ESOHMS Manual	
Facility Progress Assessment – Attachment J3	
52.237 9W35 - Key Personnel	
System Authorization Access Requests (DD Form 2875)	
HAZMAT Training Requirements Checklist	
Quality Assurance Surveillance Plan (QASP) - DRAFT	
Radioactive Materials Procedures	
Sample of Consumable Materials and Supplies	
Sample Daily Equipment Operator Checklist	
Storage Space Management Report (SSMR) (805 Report)	
TPICs	
TE 1.6	Snapshot of Current NSNs – List 1
TE 1.7	Snapshot of Current NSNs – List 2
TE 1.8	Snapshot of Current NSNs – List 3

SECTION C-7 TECHNICAL EXHIBITS

TE NUMBER	TE TITLE
TE 1.1	DSS Installation/Implementation Timeline
TE 1.2	DSS & DDKS IT Security/Background Check Functional Requirements
TE 1.3	Government-Furnished DSS Training
TE 1.4	Example of Leased Equipment
TE 3.3	Government Furnished Equipment MHE
TE 3.4	GFE – Miscellaneous Warehouse Equipment and Tools
TE 3.5	GFE – Office Equipment
TE 3.6	GFE – IT Assets (To be developed upon completion of DSS Site Survey)
TE 3.7	IT Troubleshooting Guidelines
TE 3.8	Government-Furnished Data Systems
TE 3.9	Government-Furnished Training
TE 3.10	Documents Scanned into EDMS
TE 3.11	Computer Room Construction Policy
TE 4.1	Contractor-Furnished Training
TE 4.2	MHE PM Task Codes
TE 4.3	Technical Specifications for Structural Steel Shed
TE 5.1	Acceptable Performance Levels
TE 5.2	Projected Workload
TE 5.3	Contractor DSS Load and Maintain Programs
TE 5.4	Historical Workload
TE 6.1	Government Forms

IT Eligibly Requirements for DSS Access
T.E 1.2

Job Duties/ Responsibilities	DSS Access Required	ADP / IT Security Level/Background Check Required
Perform general labor tasks; such as custodial work, moving boxes, loading trucks, driving forklifts or performing general clerical work.	None	N/A / N/A General employment back ground screening required for all other positions not requiring DSS access.
Scan barcodes when making picks, closing picks, packing boxes, closing packs, performing 1st & 2nd count inventory, outloading pallets and trucks.	DSS access limited to RF devices which are configured to do specific functions. Requires DSS logon and password.	ADP/IT Level III / Alternative to NACI
Perform inventory, receiving, transportation, quality assurance, hazardous certification and clerical functions such as scanning large amounts of human certified data (e.g. hazardous certifications).	Access to DSS workstation limited to required/specified functional areas. Requires DSS logon, password and Token card eligibility.	ADP/IT Level III / Alternative to NACI
Supervise warehouse workload, performing operations research, inventory control, and transportation control and routing.	General DSS access. Requires DSS logon, password and Token card eligibility.	ADP/IT Level II / NACLC
Perform Production, Planning and Control (PPC) and other critical functionality that can hinder or halt critical operations. NOTE: CGA TO and Acct Officer will also be at this level.	Extensive DSS access. Requires DSS logon, password and CAC card eligibility. Limited to a tightly controlled target group.	ADP/IT Level II / NACLC

Information Technology (IT) Eligibility Categories: with Definitions

Level III: (Nonsensitive Positions) All other positions involved in computer activities not covered in IT I and IT II. In establishing the categories of positions, other factors may enter into the determination, permitting placement in higher or lower categories based on the Agency's judgment as to the unique characteristics of the system or the safeguards protecting the system.

Level II: (Noncritical-Sensitive Positions) Those positions in which the incumbent is responsible for the direction, planning, design, operation, or maintenance of a computer system and whose work is technically reviewed by a higher authority of the IT I category to ensure integrity of the system.

Level I: (Critical-Sensitive Positions) Those positions in which the incumbent is responsible for planning, direction, and implementation of a computer security program; major responsibility for the direction, planning, and design of a computer system including the hardware and software; or, can access a system during the operation or maintenance in such a way, and with a relatively high risk for causing grave damage, or realize a significant personal gain.
(NOTE: Level I responsibilities will reside within the IA office of the J6N agency)

Three categories have been established for designating computer and computer-related positions -- ADP-I, ADP-II, and ADP-III. Specific criteria for assigning positions to one of these categories are as follows:

Category Criteria

ADP-I

- Responsibility or the development and administration of Agency computer security programs, and also including direction and control of risk analysis and/or threat assessment.
- Significant involvement in life-critical or mission-critical systems.
- Responsibility for the preparation or approval of data for input into a system, which does not necessarily involve personal access to the system, but with relatively high risk for effecting grave damage or realizing significant personal gain.
- Relatively high risk assignments associated with or directly involving the accounting, disbursement, or authorization for disbursement from systems of (1) dollar amounts of $10 million per year or greater, or (2) lesser amounts if the activities of the individual are not subject to technical review by higher authority in the ADP-I category to insure the integrity of the system.
- Positions involving major responsibility for the direction, planning, design, testing, maintenance, operation, monitoring, and/or management of systems hardware and software.
- Other positions as designated by the Agency head that involve relatively high risk for effecting grave damage or realizing significant personal gain.

ADP-II

- Responsibility for systems design, operation, testing, maintenance, and/or monitoring that is carried out under technical review of higher authority in the ADP-I category, includes, but is not limited to:

  (1) access to and/or processing of proprietary data, information requiring protection under the Privacy Act of 1974, and Government-developed privileged information involving the award of contracts;

  (2) accounting, disbursement, or authorization for disbursement from systems of dollar amounts less than $10 million per year. Other positions are designated by the Agency head that involve a degree of access to a system that creates a significant potential for damage or personal gain less than that in ADP-I positions.

ADP-III

- All other positions involved in Federal computer activities.

(Note: IT terminology - Applicable to unclassified DoD information systems, a designator that indicates the level of IT access required to execute the responsibilities of the position based on the potential for an individual assigned to the position to adversely impact DoD missions or functions. Position categories include: IT-I (Privileged), IT-II (Limited Privileged) and IT-III (Non-Privileged), as defined in DoD 5200.2-R (reference (r)). Investigative requirements for each category vary, depending on role and whether the incumbent is a U.S. military member, U.S. civilian government employee, U.S. civilian contractor, or a foreign national. The term IT Position is synonymous with the older term Automated Data Processing (ADP) Position (reference (a)).

E2.1.36 IT Position Category_DODI 8500.2 February 6, 2003)

NACI - National Agency Check Plus Written Inquiries. A personnel security investigation conducted by the Office of Personnel Management, combining a NAC and written inquiries to law enforcement agencies, former employers and supervisors, references and schools.

NACLC - National Agency Check with Law and Credit Check. Basic National Agency Checks (Security/Suitability Investigations Index, Defense Clearance and Investigations Index, fingerprint classification, and a search of the Federal Bureau of Investigation's investigative index); Credit search covering all residence, employment, and education locations during the last 7 years and Law Checks covering all locations of residence, employment, and education during the last 5 years and to all locations of admitted arrest. If 35-day service is requested, all law checks will be scheduled by Record Search. If 75-day service is requested, law checks will be scheduled by a combination of inquiry and record coverage. (See Service Availability below for additional information about law checks).

TECHNICAL EXHIBIT 5.1
ACCEPTABLE PERFORMANCE LEVELS (APLS)
DDKS

5.2 RECEIVING			
TIMELINESS			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
Receipt Processing – NP and Retail Receipts	Tailgate/Turn-in to Stow and post to accountable record in one day or less average	≤ 1 day average each month (DSS-MIS Data Element 10117)	NP and retail receipt lines received per month (MIS Data Element 10102)
Receipt Processing – Wholesale Serviceable Returns	Tailgate/Turn-in to Stow and post to accountable record in three days or less average	≤ 3 days average each month (DSS-MIS Data Element 10817)	Wholesale returns received per month (MIS Data Element 10802)
Receipt Processing –Redistributions	Tailgate/Turn-in to Stow and post to accountable record in three days or less average	≤ 3 days average each month (DSS-MIS Data Element 11317)	Redistribution lines received per month (MIS Data Element 11302)

5.4 PHYSICAL INVENTORY CONTROL STANDARDS			
QUALITY			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
TPIC N Category A – Unit Price > $1,000	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a Zero Tolerance on the count variance	99% Accuracy	Items/Lines counted at time of Government-conducted TPIC N inventory Semi-annual
TPIC N Category B – Unit of Issue not equal to each or on hand balance greater than 50 and extended value less than $50,000 or NSN activity greater than 50	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a 10% Tolerance on the count variance	95% Accuracy	Items/Lines counted at time of Government-conducted TPIC N inventory Semi-annual
TPIC N Category C – Date of Last Inventory > 24 months and on hand	Physical Inventory matches accountable records by NSN,	95% Accuracy	Items/Lines counted at time of Government-conducted TPIC N inventory

TECHNICAL EXHIBIT 5.1
ACCEPTABLE PERFORMANCE LEVELS (APLS)
DDKS

5.4 PHYSICAL INVENTORY CONTROL STANDARDS			
QUALITY			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
balance < 50	CC, Unit of Issue and quantity, with a 5% Tolerance on the count variance		Semi-annual
TPIC N Category D – Other	Physical Inventory matches accountable records by NSN, CC, Unit of Issue and quantity, with a Zero Tolerance on the count variance	95% Accuracy	Items/Lines counted at time of Government-conducted TPIC N inventory Semi-annual
TPIC G Inventories	Physical inventory matches accountable records by NSN, CC, Unit of and quantity, with a Zero Tolerance on the count variance	100% Accuracy	All items counted at time of annually scheduled Government-conducted TPIC G inventory (Controlled Items – Classified and Sensitive)
TPIC P Inventories	Physical inventory matches accountable records by NSN, CC, Unit of and quantity, with a Zero Tolerance on the count variance	95% Accuracy	All items counted for all inventories scheduled and released under Government-conducted TPIC P or approved sample process (Pilferable Items)
Location Accuracy	Physical material in location by NSN, Shelf-Life, CC, and Unit of Issue match storage activity locator records	99.5% Accuracy	Number of location surveys completed per month DSS Report YE6Z

TECHNICAL EXHIBIT 5.1
ACCEPTABLE PERFORMANCE LEVELS (APLS)
DDKS

5.4 PHYSICAL INVENTORY CONTROL STANDARDS			
TIMELINESS			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
TPIC Inventories C, E, H, J, T, V, M, R, S and K	Shall be completed within 15 days from the date the inventory is established in DSS	100%	All inventories released by inventory Lead Measured through DSS QC/QA path PSBQ

5.5 ISSUE			
QUALITY			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
Issue Material	Material shipped is the correct item, quantity, and CC and shipped to the right customer	>99.2 Quarterly ISDR Report	Valid complaints per quarter as a % of MROs/DROs
Warehouse Fill Rate (DSS)	The right quantity, condition and item is located to fill the MRO and CC	≥99.5% (100 minus the DSS-MIS Data Element 26330)	MROs per month

TECHNICAL EXHIBIT 5.1
ACCEPTABLE PERFORMANCE LEVELS (APLS)
DDKS

5.5 ISSUE			
TIMELINESS *			
ACTIVITY	**STANDARDS**	**APL**	**MEASUREMENT UNIVERSE**
MRO High Priority - Wholesale/Retail (Excluding Dedicated Trucks)	Receipt of MRO at Distribution Center to ship in one day or less average	<1 day average each month (DSS-MIS Data Element 22367)	High priority lines issued per month (MIS Data Element 21465)
MRO Routine Priority - Wholesale/Retail	Receipt of MRO at Distribution Center in three days or less average	<3 days average each month (DSS MIS Data Element 22375)	Routine priority lines issued per month (MIS Data Element 21473)
MRO High Priorities - Wholesale/ Retail (Excluding Dedicated Trucks)	Receipt of MRO at Depot to ship in one day or less	≥ 85% of Hi Pri MRO on time against 1 day (DSS-MIS Data Element 23370)	High priority lines issued per month (MIS Data Element 22365)
MRO Routines - Wholesale/ Retail (Excluding Dedicated Trucks)	Receipt of MRO at Depot to ship in three days or less	≥ 85% of routine MROs against 3 days (DSS-MIS Data Element 22378)	Routine lines issued per month (MIS Data Element 22373)
RDO High Priorities - Wholesale/Retail	Receipt of RDO at Depot to ship in one day or less	≤ 1 day average each month (DSS MIS Data Element 20767)	High Priority lines issued per month (MIS Data Element 20765)
RDO Routines - Wholesale/Retail	Receipt of RDO at Depot to ship in three days or less	≤ 3 days average each month (DSS MIS Data Element 20775)	Routine lines issued per month (MIS Data Element 20773)
DROs	Receipt of DRO at Depot to ship in 21 days or less average	≤ 21 days average each month (DSS-MIS Data Element 22007)	DROs shipped per month (MIS Data Element 22002)

***NOTES:**

1. The APL clock starts when the MROs free flow from DASSC into DSS.

TECHNICAL EXHIBIT 5.1
ACCEPTABLE PERFORMANCE LEVELS (APLS)
DDKS

5.6 PACKAGING STANDARDS			
TIMELINESS			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
Packaging	Accomplish all packaging actions within 30 days of an item being placed into a temporary storage location	95% ≤ 30 days average	Packaging Actions are completed and closed out in the month in DSS Measurement tool LR8G Report
Packaging	Accomplish all packaging actions within 60 days of an item being placed into a temporary storage location	100% ≤ 60 days	Packaging Actions are completed and closed out in the month in DSS Measurement tool LR8G Report

5.5.1.9.2 THEATER CONSOLIDATION SUPPLY POINT (TCSP) STANDARDS			
ACTIVITY	**STANDARD**	**APL**	**MEASUREMENT UNIVERSE**
Offer to Transportation - Surface Pallets Loose	Pallet positioned and ready for shipment to consignee	< 72 hours (DSS-MIS Data Element 75030)	Pallets arriving at DDKS per month (DSS-MIS Data Element 75026)
Offer to Transportation - Containers Stuffed on-site Mixed	Container positioned and ready for shipment to consignee	< 72 hours (DSS-MIS Data Element 75035)	Containers arriving at DDKS per month (DSS-MIS Data Element 75031)
Offer to Transportation - Through Put Containers Pure	Container positioned and ready for shipment to consignee	< 24 hours (DSS-MIS Data Element 75010)	Containers arriving at DDKS per month (DSS-MIS Data Element 75006)