



**DEFENSE LOGISTICS AGENCY  
DEFENSE ENERGY SUPPORT CENTER  
8725 JOHN J. KINGMAN ROAD, SUITE 4950  
FORT BELVOIR, VIRGINIA 22060-6222**

IN REPLY  
REFER TO DESC-CPA

AUG 17 2004

CONTRACTING INSTRUCTION (CI): 04-17

MEMORANDUM FOR CI DISTRIBUTION

SUBJECT: Decentralization of Receipt of Offers

The purpose of this CI is to notify you of changes to the procedures regarding the handling of receipt of offers. The Defense Energy Procurement Instruction (DEPI) subpart 15.207 Handling Proposals and Information, and subpart 14.3 Submission of Bids, has been revised to read as shown in the attachment.

The process had been centrally managed in DESC-CPC and now is being decentralized. Commodity Business Units will manage the process. This will result in program areas having more control and flexibility in their processes. Additionally, DESC Form 4.29 Late Bid/Proposal Information Record has been revised, and Clause L2.11-4 Email Proposals will be added to the clause system. The form and clause are attached to this CI. Contracting Division Chiefs are reminded to review, approve and submit the written procedures for handling proposals and information to DESC-CPA on an annual basis as described by DEPI 15.207(a).

Questions or problems relating to this process change should be directed to Larry Rice at 767-8679, Frankie Silver at 767-7363, or Mark Wirth at 767-7310.

This CI is effective immediately and expires upon inclusion into the DEPI.

GABRIELLA M. EARHARDT  
Center Senior Procurement Official

Attachments



## **15.207 Handling proposals and information.**

(a) Each CBU shall maintain their own written procedures to ensure proposals and information received will be stored, accounted for, transmitted to the Contracting Officer and safeguarded in accordance with FAR 3.104. These procedures shall be approved by a Division Chief or higher, on an annual basis, and submitted to DESC-CPA no later than 31 January. The procedures shall, at a minimum identify:

- (1) The acceptable means of transmission of the offer, such as mail, fax, electronic, etc.
  - (i) For US Postal mail and Overnight mail, the procedures shall identify the specific address and describe any markings the envelope/package must have. Describe who is responsible for storage and where the documents will be stored.
  - (ii) For Fax transmissions, the procedures shall identify the phone number and the full name of the person the offer is to be transmitted to. Describe efforts taken to ensure the document will not be printed and left in plain sight. All fax logs generated by fax machines used for receipt of offers, shall be retained for a period of not less than 12 months. In the event a fax is received containing only blank pages, this fax transmission shall be retained/filed along with the machine generated fax logs.
  - (iii) For other electronic methods, the procedures shall identify how the transmission is to be addressed (email address) where it will be stored, and the software applications used.
    - (A) Attachments shall be transmitted as “read only”.
    - (B) Proposals submitted electronically using email that do not contain digital signature (Public Key Infrastructure), must include all required signatures in PDF file format.
  - (c) Until DESC has an electronic records management system, electronic versions of contract documents shall be handled in accordance with DLAD 5025.30 (One Book Chapter titled Records Management) and the DLA Records schedule, 811.50F. (<https://today.dla.mil/J-6/records>) If the document is to be retained, it should be printed and filed in the contract file along with the email it was attached to (to document the sender and time received).
  - (iv) Final proposal revisions, regardless of method of submission must also contain a signature. These signatures must be from an authorized negotiator.
- (2) Describe the duties and responsibilities of each party involved from initial receipt, to delivery to the Contracting Officer. Describe how the offer will be logged, date/time stamped, stored and delivered.
- (3) Describe the training that the individuals involved in the process have completed. Training shall include CBU local procedures, and for non-1102s, Basic Procurement Integrity training. Procurement Integrity training slides are available at DESC-CPA.
- (4) Describe the timing of receipt of offers, storage and delivery to the Contracting Officer.

(b) Fax and Electronic Offers- Offers will be read upon receipt to determine if it is unreadable. If the fax, electronic offer, or any part of it is unreadable, the contracting officer shall immediately notify the offeror in accordance with the requirements of FAR 15.207(c).

## **15.208 Submission, modification, revision and withdrawal of proposals.**

### **(b) Acceptable Late Proposals.**

**(1) Late Proposals and Modifications to Proposals.** The Contracting Officer will determine whether all offers were received prior to the time specified for receipt of proposals. The Contracting Officer will determine if a late modification can be opened, if it was submitted by an otherwise successful offeror.

**(iii) Only Late Proposal/Modification Received.** The term “only proposal (or modification) received” means the only proposal/modification received in response to a solicitation. If only one proposal or modification has been received and is to be considered for award under FAR 15.208, the envelope and proposal/modification will be indelibly marked "Late Acceptable Proposal (or “Modification”) - FAR 15.208(b)." If an additional proposal is received prior to award, it must be accepted unless the Contracting Officer determines that accepting the late proposal would unduly delay the procurement.

**(3) Record.** Copies of the proposal/modification itself will be placed by the contracting officer/contract specialist in the solicitation file.

**(4) Applicability.** This paragraph (b) applies only to solicitations consisting of many line items covering a multitude of products and delivery points or larger volumes of a single product required at many locations. Under such solicitations, there are instances where individual line items are uncovered or where volumes are undersubscribed. In these situations, late proposals are sometimes received that, if accepted, could fill uncovered items or quantities. FAR 15.208 permits the acceptance of a late proposal if it is the only proposal received. In addition, a late proposal covering one or more requirements within a multi-item solicitation can be considered the only proposal received provided all of the following factors are present:

(i) Procurement by negotiation is involved.

(ii) Two or more line items are listed in the solicitation.

(iii) Award of less than all the items or less than the total quantities specified for any item is authorized under the RFP.

(iv) One or more items, or quantities within items, are not covered by any proposal received prior to the due date for submission and, after discussions, timely offerors do not offer to supply the total quantities.

(v) It is received prior to award.

**(5) For Uncovered Requirements Only.** Given all the foregoing criteria in this paragraph (b), the late offer can be considered the only proposal received with respect to only the uncovered requirements.

**(c) Unacceptable Late Proposals.** The Contracting Officer will notify the offeror(s) in writing (Form Letter FL 3) when a late proposal will not be considered for award under the limitations of FAR 15.208 after obtaining DESC-G concurrence that the proposal is unacceptable.

DEPI

## **SUBPART 14.3 - SUBMISSION OF BIDS**

### **14.301 Responsiveness of bids.**

(101) Prior to each bid opening, the designated official will check the solicitation to verify authorization of fax or electronic bids. If, under the terms of the solicitation, fax or electronic bids are not permitted and one is received, it will not be considered. After receipt of the solicitation package the appropriate contract specialist will notify the bidder that their fax or electronic bid was nonresponsive. Confirmation copies of the nonresponsive fax or electronic bid will not be treated as a late bid, unless the late bid in and of itself contains all elements that would constitute a valid offer.

### **14.304 Late bids, late modifications of bids, or late withdrawal of bids.**

#### **14.304-1 General.**

(101) The Contracting Officer will determine that bids considered for award were received prior to the exact time specified in the IFB for the opening and will determine the acceptability of late bids for consideration for award under the provisions of FAR 14.304. In the case of a late Modification or Withdrawal, it will be opened if it was submitted by an otherwise successful bidder.

(102) The Contracting Officer (or designee) will complete DESC Form 4.29, LATE BID/OFFER INFORMATION RECORD, and forward it with the sealed bid to DESC-G. DESC-G will concur and return the bid and the signed form to the Contracting Officer

#### **14.304-2 Notification to late bidders.**

(a) The Contracting Officer (or designee), using DESC Form FL 3, will promptly notify any bidder if their bid, modification of bid, or withdrawal of bid was late and could not be considered for award.

**14.304-4 Records.** For each late bid received, a DESC Form 4.29 will be prepared. After distribution in accordance with 14.304-1, the form will be placed by the contracting officer in the solicitation file.

## **SUBPART 14.4 - OPENING OF BIDS AND AWARD OF CONTRACT**

### **14.402 Opening of bids.**

#### **14.402-1 Unclassified bids.**

The Contracting Officer (or designee), is designated the DESC bid opening officer.

#### **14.403 Recording of bids.**

As bids are opened, each will be assigned and marked with a number in sequence. The number will concurrently be marked adjacent to the bidder's name on the bid abstract in addition to the sequential number, "I" for "Interested" will be marked adjacent to the name of those bidders who responded to the solicitation but did not bid. After bids have been opened, the bid opening officer will sign the bid abstract stating: "I certify that all bids/offers received prior to the time and date specified in the solicitation have been opened and recorded on this listing." Immediately thereafter, the bid opening officer will give the bid abstract and the bids personally to the contract specialist for completing the abstract. The information required for bid evaluation is then abstracted from the bids. The contract specialist is responsible for placing one copy of the abstract in the solicitation file, one copy shall be provided to the Program Webmaster for posting to the program web page after bid opening.

#### **14.404 Rejection of bids.**

##### **14.404-2 Rejection of individual bids.**

In order to help DESC-DU carry out its responsibility under FAR 19.401 and DFARS 219.401, contracting officers will furnish copies of bid rejection notices to DESC-DU when they are issued. Notices will be annotated with the firm's phone number and a suitable point of contact.

#### **14.405 Minor informalities or irregularities in bids.**

Unsigned bids - When opening bids, if any bid is unsigned, the designated official/bid custodian will record the bid. However, it will be flagged for the appropriate contracting officer, who, after coordinating with DESC-G, will determine whether or not the bid is responsive. If a determination of nonresponsiveness is made, the contracting officer will so notify the bidder.

#### **14.407 Mistakes in bids.**

##### **14.407-3 Other mistakes disclosed before award.**

Pursuant to DLAD 14.407-3(e), the authority to make determinations under FAR 14.407-3(a), (b) and (d) rests with DESC-G. Requests for determination to correct a bid or to require that the bid be considered for award in the form submitted, under FAR 14.407-3, will be signed by the contracting officer and forwarded through the CBU

Director to DESC-G. The authority for the HCA to forward the request to the Counsel, DLA, is delegated to DESC-G.

The division chief, with DESC-G concurrence, shall approve determinations under FAR 14.407-3(c) to permit a bidder to withdraw its bid. Requests will be signed by the contracting officer and forwarded through DESC-G to the division chief.

**14.408 Award.**

**14.408-2 Responsible bidder - reasonableness of price.** See paragraph 15.404-1(a) (102) regarding price/cost analysis by the DESC Price/Cost Analyst for sealed bid procurements.

## LATE BID/PROPOSAL INFORMATION RECORD

To: DESC-G	From: DESC-
Solicitation Number: SP0600- - -	Opening Date/Time:
Method of Delivery:	
Name & Address of Offeror:	<input type="checkbox"/> Regular mail <input type="checkbox"/> Courier <input type="checkbox"/> Priority mail
	<input type="checkbox"/> Certified mail <input type="checkbox"/> Registered mail <input type="checkbox"/> Facsimile
	<input type="checkbox"/> Express mail <input type="checkbox"/> Handcarried <input type="checkbox"/> E-Mail
	<input type="checkbox"/> Other: _____
Received at DSS-IFC Date:                  Time:	Received at DESC- Date:                  Time:
Log Number:                                  Date:	
<p><b>Unacceptable Late Bid/Offer</b></p> <p><input type="checkbox"/> The Contracting Officer has/I have determined that this offer is not acceptable because:</p> <p style="margin-left: 20px;"><input type="checkbox"/> It does not meet admissible Late Bid/Proposal express mailing requirements in accordance with FAR 14.304 (IFBs)/15.208(RFPs).</p> <p style="margin-left: 20px;"><input type="checkbox"/> Offer was neither certified nor registered.</p> <p style="margin-left: 20px;"><input type="checkbox"/> Lateness was not due solely to a delay in the mails for which the offeror was not responsible.</p> <p style="margin-left: 20px;"><input type="checkbox"/> Offer was received after _____</p> <p><input type="checkbox"/> Offer will be retained with other unsuccessful offers.</p> <p><input type="checkbox"/> Verbal notification or receipt of subject offer received after opening/closing date made by _____</p> <p><input type="checkbox"/> FL-3 was mailed to the offerors on _____.</p> <p><b>Acceptable Late Bid/Offer</b></p> <p><input type="checkbox"/> The Contracting Officer has/I have determined that this offer is acceptable because</p> <p style="margin-left: 20px;"><input type="checkbox"/> Lateness was due solely to a delay in the mails for which the offeror was not responsible.</p> <p style="margin-left: 20px;"><input type="checkbox"/> Except for a delay due to Government mishandling at the DLA Headquarters building, the offer would have been received on time.</p> <p style="margin-left: 20px;"><input type="checkbox"/> This proposal is the only one received (RFP only).</p> <p style="margin-left: 20px;"><input type="checkbox"/> This proposal meets the requirements of DEPI 15.208(b)(2) to be considered the "only proposal received" (RFP only).</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other (specify): _____</p>	
Remarks: <input type="checkbox"/> Concur <input type="checkbox"/> Nonconcur    Remarks attached <input type="checkbox"/> or-- _____	
Signature _____ DESC-G	
Typed Name:                                  Signature _____                                  Date: _____ Contracting Officer	

**L2.11-4/52.215-9FA8 E-MAIL PROPOSALS.** For use in solicitations for which e-mail proposals are authorized. Use of this method may not be appropriate for complex procurements involving the submission of large multiple proposal volumes. **Requires buyer fill-in.** MFR dated 27 May 04.

**L2.11-4 E-MAIL PROPOSALS (DESC MAY 2004)**

(a) Offerors may submit proposals via e-mail. E-mail proposals are subject to the same rules as paper proposals.

(b) E-mail receiving data and compatibility characteristics are as follows:

(1) E-mail address: \_\_\_\_\_.

(2) The Defense Energy Support Center accepts attachments in—

(i) Adobe Acrobat;

(ii) Microsoft Excel;

(iii) Microsoft Word; and

(iv) Microsoft PowerPoint.

(c) Proposals submitted via e-mail that do not contain a digital signature utilizing the Public Key Infrastructure must include all required signatures in .pdf file format.

(d) Attachments that are not in .pdf file format must be sent password protected for "read only" to ensure the integrity of the data submitted.

(e) Proposals submitted electronically through a single e-mail must be no more than 15 MB. DESC's mail server will reject messages larger than 15 MB.

(f) The DESC e-mail filter will scan the incoming e-mail and attachments for viruses and key words. Abbreviations for terms such as "Analysts" or using "3Xs" as placeholders in a document are found in the filter's adult content library and may result in the e-mail delivery being delayed. Offerors are encouraged to verify receipt of e-mail offers by contacting the Contracting Officer prior to the solicitation closing time.

(g) If any portion of an e-mail proposal received by the Contracting Officer is unreadable, the Contracting Officer will immediately notify the offeror and permit the offeror to resubmit the proposal. The method and time for resubmission shall be prescribed by the Contracting Officer after consultation with the offeror and the resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness, provided the offeror complied with the e-mail submissions instructions provided in this paragraph and with the time and format requirements for resubmission prescribed by the Contracting Officer.

(h) The Government reserves the right to make award solely on the e-mail proposal. However, if requested to do so by the Contracting Officer, the apparently successful offeror promptly shall submit the complete signed original proposal.

(DESC 52.215-9FA8)